



Health Services
LOS ANGELES COUNTY

Los Angeles County
Board of Supervisors

Gloria Molina
First District

Yvonne B. Burke
Second District

Zev Yaroslavsky
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

Bruce A. Chernof, MD
Director and Chief Medical Officer

John R. Cochran III
Chief Deputy Director

William Loos, MD
Acting Senior Medical Officer

313 N. Figueroa Street, Suite 912
Los Angeles, CA 90012

Tel: (213) 240-8101
Fax: (213) 481-0503

www.ladhs.org

*To improve health
through leadership,
service and education.*



www.ladhs.org

May 25, 2006

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**ACCEPTANCE OF STANDARD AGREEMENT NO. 05-46189 FROM
THE CALIFORNIA DEPARTMENT OF HEALTH SERVICES (CDHS),
FOR THE DEPARTMENT OF HEALTH SERVICES' (DHS)
IMMUNIZATION PROGRAM FOR CALENDAR YEAR 2006
(All Districts) (3 Votes)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Director of Health Services, or his designee, to accept and sign Standard Agreement No. 05-46189, Exhibit I, from the CDHS in the amount of \$5,147,239, for the period of January 1, 2006 through December 31, 2006, (i.e., Calendar Year [CY] 2006) with a net County cost of \$844,389, to provide continuing funding support for DHS' Immunization Program.
2. Delegate authority to the Director of Health Services, or his designee, to accept and sign forthcoming Standard Agreements with CDHS, with substantially similar terms to Standard Agreement No. 05-46189, with a maximum allocation of \$6.0 million per year for CYs 2007, 2008, 2009, 2010, and 2011 to continue support of DHS' Immunization Program, subject to review and approval by County Counsel, the Chief Administrative Office and notification of the Board.
3. Delegate authority to the Director of Health Services, or his designee to accept future amendments which are substantially similar to the terms and conditions of Standard Agreement No. 05-46189 from the CDHS for CYs 2006, 2007, 2008, 2009, 2010, and 2011 which provide for the roll-over of funds, or increase or decrease of funding which do not exceed 25% of each individual CY's base award, subject to review and approval by County Counsel, the Chief Administrative Office and notification of the Board.
4. Authorize DHS to fill 19 positions, in excess of what is provided for in the Department's staffing ordinance, pursuant to Section 6.06.020 of the County Code, and subject to allocation by the Department of Human Resources, 100% offset by CDHS. The positions consist of: one Warehouse Worker II,

three Community Workers, two Research Analyst IIs, three Research Analyst IIIs and ten Student Professional Workers. These positions are in accordance with the DHS Immunization Program's need to implement Immunization Program activities.

PURPOSE/JUSTIFICATION OF THE RECOMMENDED ACTIONS:

Approval of the recommended action will allow DHS' Immunization Program Office to continue to receive CDHS financial support for CY 2006 and future CYs through 2011, which will enable the Department to continue providing vital immunization services to the residents of Los Angeles County.

FISCAL IMPACT/FINANCING:

Total program cost for CY 2006 is \$5,991,628, which is funded by \$5,147,239 in CDHS funds and a net County cost of \$844,389 needed to cover indirect costs which are not provided by the CDHS.

Fiscal Year (FY) 2005-06 expenditures will be covered by existing appropriations. Necessary positions and funding for the remainder of CY 2006 will be requested during the FY 2006-07 Supplemental Budget Phase.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

For a number of years, the Board has approved acceptance of Standard Agreements from the CDHS for support of DHS' Immunization Program.

On March 6, 2001, the Board approved a Standard Agreement from CDHS in the amount of \$3,623,432 for CY 2001 with delegated authority to accept up to \$4.5 million per CY in funds through CY 2005, subject to review and approval by County Counsel, the Chief Administrative Office and notification of the Board.

County Counsel has reviewed and approved Exhibit I as to form.

Attachments A and B provide additional information. Attachment C is a copy of the Grant Management Statement which the Board requires all County departments to file for grants exceeding \$100,000.

CONTRACTING PROCESS:

Not applicable. Grants are not advertised on the Los Angeles (L.A.) County Online Countywide Website as a contract/business opportunity.

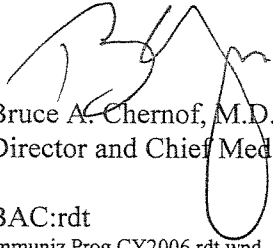
IMPACT ON CURRENT SERVICES:

Acceptance of this Standard Agreement will enable DHS to continue providing Immunization Program Services to residents of Los Angeles County through December 31, 2006.

The Honorable Board of Supervisors
May 25, 2006
Page 3

When approved, the Department requires the original and three signed copies of the Board's action.

Respectfully submitted,



Bruce A. Chernof, M.D.
Director and Chief Medical Officer

BAC:rdt
Immuniz Prog CY2006.rdt.wpd

Attachments (3)

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors
Auditor Controller

SUMMARY OF AGREEMENT

1. TYPE OF SERVICE:

Immunization Program Services for Calendar Year 2006.

2. AGENCY ADDRESS AND CONTACT PERSON:

California Department of Health Services (CDHS)
Immunization Branch
850 Marina Bay Parkway, Building, P
Richmond, California 94804
Attention: Leona O'Neill, Immunization Branch
Telephone: (510) 620-3752
Facsimile Number: (510) 620-3774 or 3773
electronic mail: loNeill@dhs.ca.gov

3. TERM:

January 1, 2006 through December 31, 2006.

4. FINANCIAL INFORMATION:

Total program cost for Calendar Year 2006 is \$5,991,628, which is funded by \$5,147,239 in CDHS funds and a net County cost of \$844,389 needed to cover indirect costs which are not provided by the CDHS.

Fiscal Year (FY) 2005-06 expenditures will be covered by existing appropriations. Requested positions and funding will be included during the FY 2006-07 Supplemental Budget Phase.

5. ACCOUNTABLE FOR MONITORING AND EVALUATION:

Cheri Todoroff, MPH, Director

6. APPROVALS:

Public Health: John F. Schunhoff, Ph.D., Chief of Operations

Contracts and Grants Division: Cara O'Neill, Chief

County Counsel (approval as to form): Allison Morse, Deputy County Counsel

**IMMUNIZATION PROGRAM FOR CALENDER YEAR 2006
POSITION ALLOCATION REQUEST**

Personnel Detail

FULL-TIME EQUIVALENT (FTE)

<u>Position Requested:</u>	<u>Number of Position(s)</u>	<u>Percent of Time:</u>
Community Worker	3	100%
Warehouse Worker II	1	100%
Research Analyst II, Behavior Science	2	100%
Research Analyst III, Behavior Science	3	100%
Student Professional Worker	10	100%

Los Angeles County Chief Administrative Office

Grant Management Statement for Grants Exceeding \$100,000

Department: Department of Health Services

Grant Project Title and Description

Immunization Program for Calendar Year 2006

Funding Agency	Program (Fed. Grant #/State Bill or Code #)	Grant Acceptance Deadline
CDHS	05-46189	

Total Amount of Grant Funding:	County Match Requirements			
Grant Period: Calendar Year 2006 Begin	01-01-06	End Date:	12-31-06	
Number of Personnel Hired Under this Grant:	19	Full	9	Part Time 10

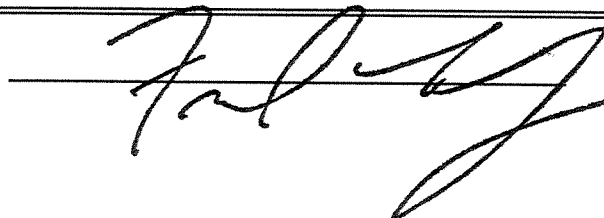
Obligations Imposed on the County When the Grant Expires

Will all personnel hired for this program be informed this is a grant funded program?	Yes	<u>X</u>	No	
Will all personnel hired for this program be placed on temporary ("N") items?	Yes	<u>X</u>	No	
Is the County obligated to continue this program after the grant expires	Yes		No	<u>X</u>
If the County is not obligated to continue this program after the grant expires, the Department will:				
a). Absorb the program cost without reducing other services	Yes		No	<u>X</u>
b). Identify other revenue sources	Yes		No	<u>X</u>
(Describe)				
c). Eliminate or reduce, as appropriate, positions/program costs funded by this grant.	Yes	<u>X</u>	No	

Impact of additional personnel on existing space: Not applicable.

Other requirements not mentioned above: Not applicable.

Department Head



Date 5/25/06

REGISTRATION NUMBER

AGREEMENT NUMBER

05-46189

1. This Agreement is entered into between the State Agency and the Contractor named below:

STATE AGENCY'S NAME

California Department of Health Services

(Also referred to as CDHS, DHS, or the State)

CONTRACTOR'S NAME

County of Los Angeles (Department of Health Services)

(Also referred to as Contractor)

2. The term of this January 1, 2006 through December 31, 2006 Agreement is:

3. The maximum amount \$ 5,147,239 of this Agreement is: Five Million, One Hundred Forty-Seven Thousand, Two Hundred Thirty-Nine Dollars

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of this Agreement.

Exhibit A – Scope of Work	11 pages
Exhibit B – Budget Detail and Payment Provisions	3 pages
Exhibit B, Attachment I – Budget	1 page
Exhibit C * – General Terms and Conditions	GTC 1005
Exhibit D(F) – Special Terms and Conditions (Attached hereto as part of this agreement)	26 pages
Exhibit E – Additional Provisions	2 pages
Exhibit F – Contractor's Release	1 page
Exhibit G – Travel Reimbursement Information	2 pages
Exhibit H – Contractor Equipment Purchased with DHS Funds	2 pages
Exhibit I – Inventory/Disposition of DHS-Funded Equipment	2 pages

Items shown above with an Asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto. These documents can be viewed at <http://www.ols.dgs.ca.gov/Standard+Language>.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR

CONTRACTOR'S NAME (If other than an individual, state whether a corporation, partnership, etc.)

County of Los Angeles (Department of Health Services)

BY (Authorized Signature)

DATE SIGNED (Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

ADDRESS

3530 Wilshire Boulevard, Suite 700, Los Angeles, CA 90010

STATE OF CALIFORNIA

AGENCY NAME

California Department of Health Services

BY (Authorized Signature)

DATE SIGNED (Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

Terri L. Anderson, Chief, Contracts and Purchasing Services Section

ADDRESS

1501 Capitol Avenue, Suite 71.2101, MS 1403, P.O. Box 997413
Sacramento, CA 95899-7413

California Department of
General Services Use Only

☐ Exempt per:

EXHIBIT A
Scope of Work

1. Service Overview

Contractor agrees to provide to the Department of Health Services (DHS) the services described herein:

Sections 120325-120380 of the Health & Safety Code, Chapter 435, requires immunizations against childhood diseases prior to school admittance. Health Officers are required to organize and maintain a program to make the required immunizations available. This contract assists the Contractor in defraying costs of the program which supports the State's objectives to control diseases that are preventable by vaccines. It is the Department of Health Services' responsibility to provide this assistance to the local health jurisdictions. The Contractor is to conduct a general immunization program which provides rubella, measles, mumps, polio, diphtheria, tetanus, pertussis, haemophilus influenzae b, varicella, and hepatitis B vaccines to the general public. In addition, the Contractor identifies target populations in need of immunizations and initiates corrective action to improve immunization levels.

2. Service Location

The services shall be performed at applicable facilities in the County of Los Angeles.

3. Service Hours

The services shall be provided during County working hours and days.

4. Project Representatives

A. The project representatives during the term of this agreement will be:

Department of Health Services

Wendi Cate
Telephone: (213) 351-7800
Fax: (213) 351-2780
Email: wcate@ladhs.org

Contractor

Cheri Todoroff
Telephone: (213) 351-7800
Fax: (213) 351-2780
Email: ctodoroff@ladhs.org

B. Direct all inquiries to:

Department of Health Services

Immunization Branch
Attention: Leona O'Neill
850 Marina Bay Parkway, Bldg. P
Richmond, CA 94804

Telephone: (510) 620-3752
Fax: (510) 620-3774
E-mail: lonell@dhs.ca.gov

Contractor

County of Los Angeles (Department of Health Services)
Attention: Cheri Todoroff
3530 Wilshire Boulevard, Suite 700
Los Angeles, CA 90010

Telephone: (213) 351-7800
Fax: (213) 351-2780
Email: ctodoroff@ladhs.org

C. Either party may make changes to the information above by giving written notice to the other party. Said changes shall not require an amendment to this agreement.

EXHIBIT A
Scope of Work

5. Services to be Performed – Pediatric-IAP-Hepatitis B

The Contractor must agree to the following inclusive objectives and conduct the following activities. Please note that many of these services to be performed are also objectives and activities required by the Federal Government and are conditions for funding of the California Immunization Program and/or statutory requirements of State and local health departments. The level of subvention contract funding to be awarded is not represented as sufficient for support of all the required activities; a significant amount of local support and funding is expected. Subvention contract funds must not be used to supplant (i.e., replace) local funds currently being expended for routine immunization services and activities. Subvention funds can only be used for the activities outlined in the budget justification as detailed in Exhibit B.

A. Objectives:

- 1) Raise to (or maintain) immunization levels of 95% or greater for each of the legally required immunizations among all kindergarten entrants, incoming transfer students to schools, and entrants into child care centers within the Contractor's jurisdiction.
- 2) By the year 2007, 90% of two-year-olds within the Contractors jurisdiction should be vaccinated with one dose of measles, mumps, and rubella (MMR) vaccine, three doses of polio vaccine, at least four doses of diphtheria, tetanus, and pertussis (DTP) vaccine, three doses of *Haemophilus influenzae* type b (Hib) vaccine, three doses of hepatitis b vaccine, and one dose of varicella vaccine.
- 3) Through prevention, surveillance and outbreak control, reduce, and if possible eliminate, illness, disability and death due to vaccine preventable diseases such as polio, diphtheria, tetanus, pertussis, measles, rubella, mumps, hepatitis B, hepatitis A, *Haemophilus Influenzae* Type b, and varicella within the Contractor's jurisdiction.
- 4) Establish and/or maintain an effective reminder/recall system for clinic patients which includes the following elements:
 - a. Reminder system (postcard, telephone call, or autodialer)
 - b. Follow up recall notices for no - shows
 - c. Simple tracing procedures for missing clients
 - d. Written protocol
- 5) Inform and educate health care providers, school staff, child care community, and the general public about the need for scheduled timely immunizations of children and adults.

B. Specific Activities:

- 1) Program Management
 - a. Contractor agrees to assign one or more staff the responsibility of monitoring each program activity 1) Program Management; 2) Service Delivery; 3) Population Assessment; 4) Surveillance and Outbreak Control; 5) Provider Quality Assurance; 6) Consumer Information; 7) Immunization Registries; and 8) Vaccine Management.

EXHIBIT A
Scope of Work

- b. Contractor agrees to coordinate program planning and implementation of strategies to improve immunization coverage rates of the population with local public and private agencies, e.g., WIC, CHDP, CALWORKS, Healthy Families, medical societies, non-profit community based organizations, and other public agencies serving adults and children located in the health jurisdiction.

2) Service Delivery

- a. Public immunization clinic policies and practices shall be in general accordance with the current recommendations approved by the U.S. Public Health Service and endorsed by the American Academy of Pediatrics (AAP) as specified in the Revised Standards for Immunization Practices Child & Adolescent and Adult Immunization. Appropriate in-service training for public clinic staff shall be instituted to assure compliance with the Standards.
- b. Within the health jurisdiction, the Contractor shall ensure those medically underserved children, adolescents and adults utilize a medical home to facilitate continuity of care, including receipt of all recommended immunizations.
- c. Within the health jurisdiction, the Contractor shall implement and maintain immunization clinic reminder/recall systems among all public medical providers, who receive state-supplied vaccines, to improve age-appropriate immunizations of preschool-age children.
- d. Public health clinics with a Clinic Assessment Software Application (CASA) (4 DTP, 3 polio, 1 MMR, 3 Hib and 3 Hepatitis B) rate below 40% should achieve a 25% improvement; public health clinics with rates between 40% and 49% should achieve a 15% improvement; public health clinics with rates between 50% and 69% should achieve a 10% improvement; and public health clinics with rates between 70% and 85% should achieve a 5% improvement.

3) Population Assessment

- a. In accordance with the guidelines and timetables provided by the Immunization Branch, the Contractor shall coordinate the assessment of the immunization levels of child care centers, Head Start Centers, and kindergarten entrants.
- b. In coordination with Immunization Branch Field Representatives, local health authorities and local child care center and school authorities, the Contractor must make efforts to ensure that all (100%) child care centers, Head Start centers and schools fully enforce existing regulations pertaining to the immunization of children admitted to such institutions.
- c. In accordance with the guidelines and timetables provided by the Immunization Branch, the Contractor shall conduct immunization assessments of randomly selected child care centers, Head Start centers and schools to ensure enforcement of existing immunization regulations pertaining to the immunization of children admitted to such institutions.

EXHIBIT A
Scope of Work

4) Surveillance and Outbreak Control

- a. Contractor shall establish and maintain an effective system for identification and reporting of suspect, probable and confirmed cases of vaccine preventable diseases (VPDs). Sources of surveillance information should include practicing physicians, licensed laboratories, outpatient clinics, hospitals, schools, child care centers and Head Start centers. As necessary, contractor shall conduct enhanced, active surveillance in communities where a VPD is prevalent in accordance with the DHS guidelines, "California Vaccine-Preventable Disease Surveillance Manual".
- b. Investigation and Control of VPDs
 - i. Investigation of all reported suspect, probable and confirmed VPDs shall be initiated in accordance with the guidelines and timetables provided by the Immunization Branch.
 - ii. Outbreak control procedures for the VPDs shall be initiated in accordance with the guidelines and timetables of the Immunization Branch.
- c. Contractor shall participate in the national Vaccine Adverse Events Reporting System (VAERS) for follow up of adverse events following immunizations in accordance with current Immunization Branch guidelines.

5) Provider Quality Assurance

- a. Assure that health care providers within the jurisdiction are knowledgeable and competent in immunization practices. Provide and/or promote training opportunities. Such opportunities may include live training/educational courses, distance learning satellite courses, grand rounds and medical meeting presentations, seminars, health officer newsletters, exhibits, workshops, in-service training, medical assistant training, provider site visits, and distribution of informational, educational, or practice management materials to physicians in practice.
- b. Annually, within the health jurisdiction, the Contractor shall review immunization records of select public clinics that receive state-supplied vaccine. The sampling technique and immunization clinic record methodology must be compatible with the methodology of the Immunization Branch of the California Department of Health Services.

6) Consumer Information

- a. To reach families and adults in the community and reduce ethnic disparities in immunization rates, the Contractor will promote and implement outreach activities through partnerships, coalitions, and collaboration with community groups, child care providers, and culturally specific organizations.
 - i. Identify existing resources in the community to assist with immunization outreach efforts. Such resources include high traffic areas (e.g., train stations, airports, bus stops) and non-traditional organizations (e.g., social services, grocery stores, Department of Motor Vehicles, pharmacies, post offices, legal service providers, etc...) in addition to health-related organizations.

EXHIBIT A
Scope of Work

- ii. Develop Memorandums of Understanding (MOU) and/or informal relationships with organizations to provide them with health information and education materials.
 - iii. Maintain partnerships and other outreach efforts through regular communications, ensuring objectives and goals are met, reviewing MOUs, and conducting process evaluations (such as distribution logs to track materials, orders, and requests; list of partnerships; feedback from partners; etc...).
- b. The Contractor will ensure that each maternity hospital within the jurisdiction has a new mother education program. Types of programs include distribution of the Hallmark Card, distribution of pertinent languages of Parent's Love Cards, and Baby Track-type reminder programs. Including immunization information in Registrar of Births mailings to new mothers is also encouraged.
 - c. The Contractor will ensure that their annual flu plan extend beyond public flu clinics to include community partners and sites that provide influenza immunizations and information to children and adults not covered by state-purchased vaccine. The outreach strategies used for the flu plan can be adapted for additional immunization efforts.

7) Immunization Registries

- a. Design and construct an immunization registry in accordance with the 12 CDC – DHS Immunization Branch 12 functional standards of operation in coordination with the local public health department regional registry.
- b. Collaborate with provider organizations and other stakeholders in the registry's catchments area to assist with provider recruitment, planning and implementation in coordination with the local public health department regional registry.
- c. Increase the percentage of public and private provider sites participating in the registry in coordination with the local public health department regional registry.

8) Vaccine Management

The contractor receiving vaccine purchased with State of California/Federal funds, herein called State purchased vaccines, agrees to the following terms and conditions.

- a. Prior to receipt of an immunization, all patients (or their parents or legal guardians) must be:
 - i. screened in accordance with the federal Centers for Disease Control and Prevention (CDC) and Centers for Medicare and Medicaid Services (CMMS) requirements to determine their eligibility for receipt of vaccine from the federal Vaccines for Children Program;
 - ii. provided a copy of the current "Vaccine Information Statement" for each vaccine dose to be administered (in the case of hepatitis B vaccine given to newborn infants this can be provided to the mother during prenatal care or within 12 hours after delivery);
 - iii. provided a reasonable opportunity to read the "Vaccine Information Statement(s)";

EXHIBIT A
Scope of Work

- iv. provided an opportunity to ask questions and have questions answered concerning the benefits and risks of each immunization;
- v. specifically asked if they understand the information provided to them and if they have any questions;
- vi. given a telephone number to call should the patient become ill and have to visit a physician, clinic or hospital within the 28 days following the immunization;
- vii. provided the authorized appropriate translations of the "Vaccine Information Statements" if English is not their first language and their language is one for which the State has made translations available. Requested Vaccine Information Statements in other languages are available at no cost from the Centers for Disease Control and Prevention website www.cdc.gov.nip.

The Immunization Branch will supply to all local health departments camera-ready copies and/or a supply of the "Vaccine Information Statements" in English and Spanish. In addition, should a sufficient need exist, the Immunization Branch will arrange for authorized translations and provide camera-ready copies and "Vaccine Information Statements" in other languages.

- b. Health care providers must make notation in each patient's permanent medical record at the time the "statements" are provided. For health care providers who obtain vaccine via federal contract, the CDC Immunization Grant Guidance defines this as (1) date printed on the appropriate "Vaccine Information Statement(s)" and (2) date the "Vaccine Information Statement(s)" was given to the vaccine recipient, parent, or legal representative.

The record card or log sheet must include as a minimum the following information:

- i. patient name
- ii. address
- iii. date of birth
- iv. age at time of immunization
- v. type of vaccine(s) given
- vi. clinic identification
- vii. date of immunization
- viii. site of immunization
- ix. name and title of person administering the vaccine (e.g., S. Smith, R.N.)
- x. vaccine manufacturer
- xi. vaccine lot number
- xii. *signature of patient or parent/guardian authorizing immunization (optional)*
- xiii. *date of signature (optional)*
- xiv. date(s) printed on the "Vaccine Information Statements" provided to the patient or parent/guardian

NO ALTERATION, VARIATIONS OR ADDITIONS TO THE VACCINE INFORMATION STATEMENTS OR VACCINE AGREEMENT MAY BE MADE WITHOUT THE PRIOR WRITTEN APPROVAL OF THE CHIEF OF THE IMMUNIZATION BRANCH OF THE CALIFORNIA DEPARTMENT OF HEALTH SERVICES.

EXHIBIT A
Scope of Work

- c. The authorized immunization patient record or authorized clinic log sheets must be stored by the local health department in a retrievable file for a minimum of 10 years following the end of the calendar year in which the statement was provided to the vaccine recipient, parent, or legal representative. In addition, if a notice of a claim or lawsuit has been made, the record must be retained until after a final disposition has been made.
- d. In the case of a school-based program, or other programs where the "Vaccine Information Statement(s)" are to be read in advance of the immunization by the patient or parent/guardian or other authorized person who will not be present at the site where the immunizations are to be given, procedures shall be established and made known for answering questions by telephone.
- e. Outside non-profit providers of immunization services must sign the State provided "Outside Provider Agreement for Receipt of State-Supplied Vaccines" terms prepared by the State Immunization Branch before they may receive State purchased vaccine. Medical providers of immunization services who sign the agreement must agree to use the "Vaccine Information Statements" and must be provided as many copies of the statements as vaccine doses distributed, or at least one camera-ready copy of each vaccine statement. The "Outside Provider Agreement..." and the use of the "Vaccine Information Statements" are required in clinic settings even if the clinics are supervised by a physician in attendance. The "Outside Provider Agreement..." shall be signed annually by non-health department medical providers and retained by the local health department for a minimum of ten years following the last calendar year in which the State Immunization Branch purchased vaccine was provided.
- f. No charge may be made to the patient, parent, guardian or third party payer for the cost of State purchased vaccine provided to local health departments by the Immunization Branch. In addition, outside, non-profit providers of immunization services receiving State purchased vaccine may not charge patients or parents for the cost of vaccine. Charges made by local health departments for the direct costs incurred for administration or injection of the vaccine are discouraged but are not specifically prohibited. Should the health department or outside medical provider receiving state vaccine establish an administration fee for an injection of vaccine, information, e.g., sign/poster, must be prominently displayed which indicates that no one receiving an immunization in a public clinic may be denied vaccine provided through public funds for failure to pay the administration fee or failure to make a donation to the provider.
- g. Local health departments and other private and public providers utilizing State purchased vaccine must report quarterly the vaccine doses administered, by vaccine type and age group of patient, and dose in series (for multiple-dose vaccines) in a format provided by the Immunization Branch. Reports should be submitted to the Immunization Branch by the third day of the following month.
- h. Each quarter, the local health department must report a current vaccine inventory including all sites within the county or local jurisdiction. The Immunization Branch will supply the reporting forms. All local health departments are to **notify their Immunization Branch Field Representative** of any vaccine which is unlikely to be used not later than three months prior to its date of expiration.

EXHIBIT A
Scope of Work

- i. The local health department agrees to ensure that the storage and handling of State purchased vaccine within its facilities is in accordance with the manufacturers' specifications. The local health department also agrees to inform other providers who receive Immunization Branch purchased vaccine of the manufacturers' specifications for vaccine storage and handling.

C. Specific Perinatal Hepatitis B Activities (only for contractors receiving federal perinatal hepatitis B funds):

1) Laboratory Reporting - The Contractor Agrees to the following:

- a. Within the health jurisdiction, the Contractor identifies all public and private laboratories performing HBsAg serologic tests.
- b. A listing of laboratories performing HBsAg tests in the health jurisdiction is maintained and routinely updated.
- c. Identified laboratories are notified that positive HBsAg tests of females ages 10 - 44 are to be reported biweekly to the local health department.
- d. Delinquent laboratories not reporting HBsAg tests are contacted and informed of reporting requirements.

2) Case Management of Identified HBsAg Pregnant Women - The Contractor Agrees to the Following:

- a. A Case Management Report is initiated on all pregnant women (public and private sector) with positive HBsAg laboratory test results of pregnant women.
- b. From the reported positive HBsAg, the medical provider (obstetrician, family M.D., midwife, etc.) who requested the HBsAg test is contacted by the Contractor to determine the following:
 - i. The expected date of delivery of the infant.
 - ii. Hospital where delivery is planned.
 - iii. Have arrangements been made with pediatrician or family physician to ensure the newborn receives HBIG and the 1st dose of hepatitis B vaccine in the hospital?
 - iv. Status of household contacts is or will be determined, i.e., screening and immunization of susceptibles.
 - v. Does female/family income status permit Medi-Cal or other third party reimbursement for the HBsAg screening test, infant HBIG dose, and subsequent hepatitis B immunizations?
 - vi. Does the medical provider request or grant permission to the local health department to case manage the positive female, infant, and household contacts?

3) Follow-up and Immunization of Infants and Susceptible Household Contacts - The Contractor Agrees to the following:

- a. Infants born to HBsAg positive women receive HBIG and 1st dose of hepatitis B vaccine within 12 hours after birth or before discharge from the hospital. Subsequently, the infants receive the 2nd and 3rd doses in accordance with United States Public Health Service Immunization Practices Advisory Committee (ACIP) schedule.

EXHIBIT A
Scope of Work

- b. Household contacts are screened and the susceptibles identified receive the three dose regimen of hepatitis B vaccine in accordance with the ACIP schedule.
 - c. For public sector women, during the follow up of the mother, infant, and contacts, the medical provider(s) is instructed to submit claim(s) for reimbursement of tests and vaccine for recipients eligible for the State Medi-Cal Program or other third party payment.
- 4) Laboratory Screening - The Contractor Agrees to the following:
- a. The Contractor will make efforts to ensure that laboratory screening for HBsAg and core anti-body (anti-HBc) is reimbursed by Medi-Cal or other third party payers.
 - b. The Contractor will offer or provide the means for public HBsAg and core anti-body (anti-HBc) tests for pregnant women and household contacts who are not determined to be eligible for Medi-Cal or other third party reimbursement.
- 5) Information and Education - The Contractor Agrees to the following:
- a. Professional
 - i. Appropriate physicians and hospitals will be provided information emphasizing California State Law requires prenatal HBsAg screening for all pregnant women.
 - ii. All obstetric hospitals will be informed of the need for a hospital policy to ensure the HBIG and 1st dose of hepatitis B vaccine are provided within 12 hours of birth to the infants at risk born: (i) to women known to be HBsAg-positive; and (ii) to women at high-risk of HBsAg positivity but for whom an HBsAg test result cannot be obtained within 12 hours after birth.
 - iii. Health professionals will be informed of the need to provide disease and vaccination information to the contractor for case management and tracking purposes.
 - iv. Registered midwives and non-hospital birthing centers will be provided information for referral of pregnant women with positive HBsAg tests to the local health department for follow-up.
 - v. Laboratories, including public health, hospital, and private, which conduct hepatitis B screening tests will be provided information which explains the requirement that all positive tests of women are reported to the local health department.
 - b. General Public
 - i. Pregnant women who have been identified as hepatitis B carriers will be provided with (i) specific information addressing prevention of transmission to infants and household contacts; and (ii) information about seeking regular health care for themselves relative to their carrier status.
 - ii. Organizations, associations, and media serving high risk populations will be provided hepatitis B prevention information for their members and/or audience.
 - iii. Household contacts identified as hepatitis B carriers will be provided information about what the infection means for their health as well as addressing prevention of transmission.

EXHIBIT A
Scope of Work

D. Required Reports

1) Reports of Local Program Progress and Activities

In accordance with the guidelines and format provided by the Immunization Branch, the Contractor shall submit, through his/her Immunization Branch District Field Representative, to the Branch identified in paragraph 5 within D. Required Reports, by the 15th of the month following the end of each quarter, a written quarterly report of progress and activities. In addition to the written report the Contractor and Project Liaison, or his designee, may meet and discuss the above matters in person.

- 2) Upon completion of the investigation of each probable or confirmed measles case, a completed investigation form must be submitted to the Immunization Branch.
- 3) Contractor agrees that itemized personnel positions listed in the *Application for Immunization Project Subvention Funds* shall not be subject to Contractor's personnel policy decisions to refrain from filling vacant positions.
- 4) The Contractor shall submit through his/her Immunization Branch District Field Representative, to the Branch identified in paragraph 5 within D. Required Reports, on or before the 3rd of the month following the report month, a written Monthly Vaccine Usage Report in the form prescribed by the State Department of Health Services, Immunization Branch.
- 5) All reports, other than those required to be directed to the District Field Representatives, invoices, and other written communications are to be addressed and delivered to the State Department of Health Services, Immunization Branch, 850 Marina Bay Parkway, Bldg. P, Richmond, CA 94804.
- 6) The State reserves the right to use and reproduce all reports and data produced and delivered pursuant to this Contract and reserves the right to authorize others to use or reproduce such materials, provided that the confidentiality of patient information and records are protected pursuant to California State laws and regulations.
- 7) It is agreed by the Contractor that in the event that a significant portion of the Contract objectives for the initial four months of the Contract are not met by that time; and in the event that the State determines from quarterly invoices, performance reports, and other sources of information that the Contractor will not perform the total quantity of services contracted for; and that therefore, the total budget allocation will not be depleted; the State and/or Contractor may make an equitable adjustment in the original Contract budget and Contract objectives in order to decrease the total quantity of services and commensurate Contract amount. Any adjustment shall be by amendment only and duly executed by both parties and approved by the Department of General Services (if applicable).

6. Allowable Informal Scope of Work Changes

- A. The Contractor or the State may propose informal changes or revisions to the activities, tasks, deliverables and/or performance time frames specified in the Scope of Work, provided such changes do not alter the overall goals and basic purpose of the agreement.

EXHIBIT A
Scope of Work

- B. Informal SOW changes may include the substitution of specified activities or tasks; the alteration or substitution of agreement deliverables and modifications to anticipated completion/target dates.
- C. Informal SOW changes processed hereunder, shall not require a formal agreement amendment, provided the Contractor's annual budget does not increase or decrease as a result of the informal SOW change.
- D. Unless otherwise stipulated in this agreement, all informal SOW changes and revisions are subject to prior written approval by the State.
- E. In implementing this provision, the State may provide a format for the Contractor's use to request informal SOW changes. If no format is provided by the State, the Contractor may devise its own format for this purpose.

Exhibit B
Budget Detail and Payment Provisions

1. Invoicing and Payment

- A. For services satisfactorily rendered, and upon receipt and approval of the invoices, the State agrees to compensate the Contractor for actual expenditures incurred in accordance with the budget(s) attached hereto.
- B. Invoices shall include the Agreement Number and shall be submitted in triplicate not more frequently than monthly in arrears to:

Leona O'Neill
Department of Health Services
Immunization Branch
850 Marina Bay Parkway, Bldg. P
Richmond, CA 94804

- C. Invoices shall:
 - 1) Be prepared on Contractor letterhead. If invoices are not on produced letterhead invoices must be signed by an authorized official, employee or agent certifying that the expenditures claimed represent actual expenses for the service performed under this contract.
 - 2) Bear the Contractor's name as shown on the Agreement.
 - 3) Identify the billing and/or performance period covered by the invoice.
 - 4) Itemize costs for the billing period in the same or greater level of detail as indicated in this agreement. Subject to the terms of this agreement, reimbursement may only be sought for those costs and/or cost categories expressly identified as allowable in this agreement and approved by DHS.

2. Budget Contingency Clause

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an Agreement Amendment to Contractor to reflect the reduced amount.

Exhibit B
Budget Detail and Payment Provisions

3. Prompt Payment Clause

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

4. Timely Submission of Final Invoice

- A. A final undisputed invoice shall be submitted for payment no more than ninety (90) calendar days following the expiration or termination date of this Agreement, unless a later or alternate deadline is agreed to in writing by the program contract manager. Said invoice should be clearly marked "Final Invoice", thus indicating that all payment obligations of the State under this Agreement have ceased and that no further payments are due or outstanding.
- B. The State may, at its discretion, choose not to honor any delinquent final invoice if the Contractor fails to obtain prior written State approval of an alternate final invoice submission deadline. Written State approval shall be sought from the program contract manager prior to the expiration or termination date of this Agreement.
- C. The Contractor is hereby advised of its obligation to submit, with the final invoice, a "**Contractor's Release (Exhibit F)**" acknowledging submission of the final invoice to the State and certifying the approximate percentage amount, if any, of recycled products used in performance of this Agreement.

5. Allowable Line Item Shifts

- A. Cumulative line item shifts of up to \$25,000 or 10% of the annual Agreement total may be made, whichever is greater, up to a cumulative annual maximum of \$50,000, provided the annual Agreement total does not increase or decrease.
- B. Line item shifts meeting this criteria shall not require a formal Agreement Amendment.
- C. Contractor shall adhere to State requirements regarding the process to follow in requesting approval to make line item shifts.
- D. Line item shifts may be proposed/requested by either the State or the Contractor.

6. Expense Allowability / Fiscal Documentation

- A. Invoices, received from a Contractor and accepted and/or submitted for payment by the State, shall not be deemed evidence of allowable agreement costs.

Exhibit B, Attachment I
Budget

Personnel	\$3,518,412.00
Fringe Benefits (35% of Personnel)* *Not all staff receive benefits	\$1,191,786.00
Operating Expenses or General Expenses	\$377,041.00
Equipment	\$5,000.00
Travel	\$55,000.00
Subcontracts	\$0.00
Other Costs	\$0.00
Indirect Costs (0%)	\$0.00
Total	\$5,147,239.00

Exhibit B
Budget Detail and Payment Provisions

- B. Contractor shall maintain for review and audit and supply to DHS upon request, adequate documentation of all expenses claimed pursuant to this agreement to permit a determination of expense allowability.
- C. If the allowability or appropriateness of an expense cannot be determined by the State because invoice detail, fiscal records, or backup documentation is nonexistent or inadequate according to generally accepted accounting principles or practices, all questionable costs may be disallowed and payment may be withheld by the State. Upon receipt of adequate documentation supporting a disallowed or questionable expense, reimbursement may resume for the amount substantiated and deemed allowable.
- D. If travel is a reimbursable expense, receipts must be maintained to support the claimed expenditures. For more information on allowable travel and per diem expenses and required documentation, see Exhibit G entitled, "Travel Reimbursement Information".

7. Additional Budget Provisions

- A. The total amount of the contract will be indicated as either some part, or all, of the total operations budget. If the total amount of the contract is less than the total operations budget, the Contractor will be responsible for providing the difference between the total amount of the contract and the total operations budget. Further, all invoices to the State which request reimbursements for positions included in the Contractor's Application for Immunization Project Subvention Funds submitted by the Contractor on December 20, 2005 shall include the name and position title of the persons that have performed in these positions.
- B. The Contractor shall provide for any personnel or operating expenses that are necessary to meet the provisions included herein but are not provided for in the Budget included as Exhibit "B" Attachment I.
- C. Reimbursement of HbsAg and core anti-body (anti-HBc) tests

For reimbursement of HBsAg and core anti-body (anti-HBc) tests of public patients (not eligible for Medi-Cal or other third party reimbursement) included in Exhibit B, a line-listing or appropriate format approved by the State Immunization Branch of individual laboratory tests specifying the type of test performed (HBsAg or anti-body core) and an accompanying identification number must be attached to the invoice. The total reimbursement cost for laboratory tests requested on the invoice must be supported by the exact number of tests indicated on the aforementioned line-listing or format approved by the State Immunization Branch.

Special Terms and Conditions

(For federally funded service contracts and grant awards)

The use of headings or titles throughout this exhibit is for convenience only and shall not be used to interpret or to govern the meaning of any specific term or condition. The terms "contract", "Contractor" and "Subcontractor" shall also mean "grant", "Grantee" and "Subgrantee" respectively.

This exhibit contains provisions that require strict adherence to various contracting laws and policies. Some provisions herein are conditional and only apply if specified conditions exist (i.e., agreement total exceeds a certain amount, agreement is federally funded, etc.). The provisions herein apply to this agreement unless the provisions are removed by reference on the face of the agreement, the provisions are superseded by an alternate provision appearing elsewhere in the agreement, or the applicable conditions do not exist.

Index of Special Terms and Conditions

1. Federal Equal Employment Opportunity Requirements	17. Human Subjects Use Requirements
2. Travel and Per Diem Reimbursement	18. Novation Requirements
3. Procurement Rules	19. Debarment and Suspension Certification
4. Equipment Ownership / Inventory / Disposition	20. Smoke-Free Workplace Certification
5. Subcontract Requirements	21. Covenant Against Contingent Fees
6. Income Restrictions	22. Payment Withholds
7. Audit and Record Retention	23. Performance Evaluation
8. Site Inspection	24. Officials Not to Benefit
9. Federal Contract Funds	25. Four-Digit Date Compliance
10. Intellectual Property Rights	26. Prohibited Use of State Funds for Software
11. Air or Water Pollution Requirements	27. Use of Small, Minority Owned and Women's Businesses
12. Prior Approval of Training Seminars, Workshops or Conferences	28. Alien Ineligibility Certification
13. Confidentiality of Information	29. Union Organizing
14. Documents, Publications, and Written Reports	30. Contract Uniformity (Fringe Benefit Allowability)
15. Dispute Resolution Process	31. Lobbying Restrictions and Disclosure Certification
16. Financial and Compliance Audit Requirements	

1. Federal Equal Opportunity Requirements

(Applicable to all federally funded agreements.)

- a. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. The Contractor will take affirmative action to ensure that qualified applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and career development opportunities and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Federal Government or DHS, setting forth the provisions of the Equal Opportunity clause, Section 503 of the Rehabilitation Act of 1973 and the affirmative action clause required by the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. 4212). Such notices shall state the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified applicants without discrimination based on their race, color, religion, sex, national origin physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era and the rights of applicants and employees.
- b. The Contractor will, in all solicitations or advancements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era.
- c. The Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding a notice, to be provided by the Federal Government or the State, advising the labor union or workers' representative of the Contractor's commitments under the provisions herein and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- d. The Contractor will comply with all provisions of and furnish all information and reports required by Section 503 of the Rehabilitation Act of 1973, as amended, the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. 4212) and of the Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 CFR part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," and of the rules, regulations, and relevant orders of the Secretary of Labor.
- e. The Contractor will furnish all information and reports required by Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 CFR part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," and the Rehabilitation Act of 1973, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the State and its designated representatives and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- f. In the event of the Contractor's noncompliance with the requirements of the provisions herein or with any federal rules, regulations, or orders which are referenced herein, this agreement may be cancelled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further federal and state contracts in accordance with procedures authorized in Federal Executive Order No. 11246 as amended and such other sanctions may be imposed and remedies invoked as provided in Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 CFR part 60, "Office of the Federal

Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

- g. The Contractor will include the provisions of Paragraphs a through g in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 CFR part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," or Section 503 of the Rehabilitation Act of 1973 or (38 U.S.C. 4212) of the Vietnam Era Veteran's Readjustment Assistance Act, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs or DHS may direct as a means of enforcing such provisions including sanctions for noncompliance provided, however, that in the event the Contractor becomes involved in, or is threatened with litigation by a subcontractor or vendor as a result of such direction by DHS, the Contractor may request in writing to DHS, who, in turn, may request the United States to enter into such litigation to protect the interests of the State and of the United States.

2. Travel and Per Diem Reimbursement

(Applicable if travel and/or per diem expenses are reimbursed with contract funds.)

Reimbursement for travel and per diem expenses from DHS under this agreement shall, unless otherwise specified in this agreement, be at the rates currently in effect, as established by the California Department of Personnel Administration (DPA), for nonrepresented state employees as stipulated in DHS' Travel Reimbursement Information Exhibit. If the DPA rates change during the term of the agreement, the new rates shall apply upon their effective date and no amendment to this agreement shall be necessary. Exceptions to DPA rates may be approved by DHS upon the submission of a statement by the Contractor indicating that such rates are not available to the Contractor. No travel outside the State of California shall be reimbursed without prior authorization from DHS. Verbal authorization should be confirmed in writing. Written authorization may be in a form including fax or email confirmation.

3. Procurement Rules

(Applicable to all agreements in which equipment, miscellaneous property, commodities and/or supplies are furnished by DHS or expenses for said items are reimbursed with state or federal funds.)

a. Equipment definitions

Wherever the term equipment and/or miscellaneous property is used, the following definitions shall apply:

- (1) **Major equipment:** A tangible or intangible item having a base unit cost of **\$5,000 or more** with a life expectancy of one (1) year or more and is either furnished by DHS or the cost is reimbursed through this agreement. Software and videos are examples of intangible items that meet this definition.
- (2) **Minor equipment:** A tangible item having a base unit cost of **less than \$5,000** with a life expectancy of one (1) year or more that is listed on the DHS Asset Management Unit's Minor Equipment List and is either furnished by DHS or the cost is reimbursed through this agreement. Contractors may obtain a copy of the Minor Equipment List by making a request through the DHS program contract manager.
- (3) **Miscellaneous property:** A specific tangible item with a life expectancy of one (1) year or more that is either furnished by DHS or the cost is reimbursed through this agreement. Examples include, but are not limited to: furniture (excluding modular furniture), cabinets, typewriters, desktop calculators, portable dictators, non-digital cameras, etc.

- b. **Government and public entities** (including state colleges/universities and auxiliary organizations), whether acting as a contractor and/or subcontractor, may secure all commodities, supplies, equipment and services related to such purchases that are required in performance of this agreement. Said procurements are subject to Paragraphs d through h of Provision 3. Paragraph c of Provision 3 shall also apply, if equipment purchases are delegated to subcontractors that are nonprofit organizations or commercial businesses.
- c. **Nonprofit organizations and commercial businesses**, whether acting as a contractor and/or subcontractor, may secure commodities, supplies, equipment and services related to such purchases for performance under this agreement.

- (1) Equipment purchases shall not exceed \$50,000 annually.

To secure equipment above the annual maximum limit of \$50,000, the Contractor shall make arrangements through the appropriate DHS program contract manager, to have all remaining equipment purchased through DHS' Purchasing Unit. The cost of equipment purchased by or through DHS shall be deducted from the funds available in this agreement. Contractor shall submit to the DHS program contract manager a list of equipment specifications for those items that the State must procure. The State may pay the vendor directly for such arranged equipment purchases and title to the equipment will remain with DHS. The equipment will be delivered to the Contractor's address, as stated on the face of the agreement, unless the Contractor notifies the DHS program contract manager, in writing, of an alternate delivery address.

- (2) All equipment purchases are subject to Paragraphs d through h of Provision 3. Paragraph b of Provision 3 shall also apply, if equipment purchases are delegated to subcontractors that are either a government or public entity.
- (3) Nonprofit organizations and commercial businesses, shall use a procurement system that meets the following standards:
 - (a) Maintain a code or standard of conduct that shall govern the performance of its officers, employees, or agents engaged in awarding procurement contracts. No employee, officer, or agent shall participate in the selection, award, or administration of a procurement contract in which, to his or her knowledge, he or she has a financial interest.
 - (b) Procurements shall be conducted in a manner that provides, to the maximum extent practical, open, and free competition.
 - (c) Procurements shall be conducted in a manner that provides for all of the following:
 - [1] Avoid purchasing unnecessary or duplicate items.
 - [2] Equipment solicitations shall be based upon a clear and accurate description of the technical requirements of the goods to be procured.
 - [3] Take positive steps to utilize small and veteran owned businesses.

- d. Unless waived or otherwise stipulated in writing by DHS, prior written authorization from the appropriate DHS program contract manager will be required before the Contractor will be reimbursed for any purchase of \$5,000 or more for commodities, supplies, equipment, and services related to such purchases. The Contractor must provide in its request for authorization all particulars necessary, as specified by DHS, for evaluating the necessity or desirability of incurring such costs. The term "purchase" excludes the purchase of services from a subcontractor and public utility services at rates established for uniform applicability to the general public.
- e. In special circumstances, determined by DHS (e.g., when DHS has a need to monitor certain purchases, etc.), DHS may require prior written authorization and/or the submission of paid vendor receipts for any purchase, regardless of dollar amount. DHS reserves the right to either

deny claims for reimbursement or to request repayment for any Contractor and/or subcontractor purchase that DHS determines to be unnecessary in carrying out performance under this agreement.

- f. The Contractor and/or subcontractor must maintain a copy or narrative description of the procurement system, guidelines, rules, or regulations that will be used to make purchases under this agreement. The State reserves the right to request a copy of these documents and to inspect the purchasing practices of the Contractor and/or subcontractor at any time.
- g. For all purchases, the Contractor and/or subcontractor must maintain copies of all paid vendor invoices, documents, bids and other information used in vendor selection, for inspection or audit. Justifications supporting the absence of bidding (i.e., sole source purchases) shall also be maintained on file by the Contractor and/or subcontractor for inspection or audit.
- h. DHS may, with cause (e.g., with reasonable suspicion of unnecessary purchases or use of inappropriate purchase practices, etc.), withhold, cancel, modify, or retract the delegated purchase authority granted under Paragraphs b and/or c of Provision 3 by giving the Contractor no less than 30 calendar days written notice.

4. Equipment Ownership / Inventory / Disposition

(Applicable to agreements in which equipment and/or miscellaneous property is furnished by DHS and/or when said items are purchased or reimbursed with state or federal funds.)

- a. Wherever the term equipment and/or miscellaneous property is used in Provision 4, the definitions in Provision 3, Paragraph a shall apply.

Unless otherwise stipulated in this agreement, all equipment and/or miscellaneous property that are purchased/reimbursed with agreement funds or furnished by DHS under the terms of this agreement shall be considered state equipment and the property of DHS.

- (1) DHS requires the reporting, tagging and annual inventorying of all equipment and/or miscellaneous property that is furnished by DHS or purchased/reimbursed with funds provided through this agreement.

Upon receipt of equipment and/or miscellaneous property, the Contractor shall report the receipt to the DHS program contract manager. To report the receipt of said items and to receive property tags, Contractor shall use a form or format designated by DHS' Asset Management Unit. If the appropriate form (i.e., Contractor Equipment Purchased with DHS Funds) does not accompany this agreement, Contractor shall request a copy from the DHS program contract manager.

- (2) If the Contractor enters into an agreement with a term of more than twelve months, the Contractor shall submit an annual inventory of state equipment and/or miscellaneous property to the DHS program contract manager using a form or format designated by DHS' Asset Management Unit. If an inventory report form (i.e., Inventory/Disposition of DHS-Funded Equipment) does not accompany this agreement, Contractor shall request a copy from the DHS program contract manager. Contractor shall:

- (a) Include in the inventory report, equipment and/or miscellaneous property in the Contractor's possession and/or in the possession of a subcontractor (including independent consultants).
- (b) Submit the inventory report to DHS according to the instructions appearing on the inventory form or issued by the DHS program contract manager.
- (c) Contact the DHS program contract manager to learn how to remove, trade-in, sell, transfer or survey off, from the inventory report, expired equipment and/or miscellaneous property that is no longer wanted, usable or has passed its life expectancy. Instructions will be supplied by DHS' Asset Management Unit.

- b. Title to state equipment and/or miscellaneous property shall not be affected by its incorporation or attachment to any property not owned by the State.
- c. Unless otherwise stipulated, DHS shall be under no obligation to pay the cost of restoration, or rehabilitation of the Contractor's and/or Subcontractor's facility which may be affected by the removal of any state equipment and/or miscellaneous property.
- d. The Contractor and/or Subcontractor shall maintain and administer a sound business program for ensuring the proper use, maintenance, repair, protection, insurance and preservation of state equipment and/or miscellaneous property.
 - (1) In administering this provision, DHS may require the Contractor and/or Subcontractor to repair or replace, to DHS' satisfaction, any damaged, lost or stolen state equipment and/or miscellaneous property. Contractor and/or Subcontractor shall immediately file a theft report with the appropriate police agency or the California Highway Patrol and Contractor shall promptly submit one copy of the theft report to the DHS program contract manager.
- e. Unless otherwise stipulated by the program funding this agreement, equipment and/or miscellaneous property purchased/reimbursed with agreement funds or furnished by DHS under the terms of this agreement, shall only be used for performance of this agreement or another DHS agreement.
- f. Within sixty (60) calendar days prior to the termination or end of this agreement, the Contractor shall provide a final inventory report of equipment and/or miscellaneous property to the DHS program contract manager and shall, at that time, query DHS as to the requirements, including the manner and method, of returning state equipment and/or miscellaneous property to DHS. Final disposition of equipment and/or miscellaneous property shall be at DHS expense and according to DHS instructions. Equipment and/or miscellaneous property disposition instructions shall be issued by DHS immediately after receipt of the final inventory report. At the termination or conclusion of this agreement, DHS may at its discretion, authorize the continued use of state equipment and/or miscellaneous property for performance of work under a different DHS agreement.

g. **Motor Vehicles**

(Applicable only if motor vehicles are purchased/reimbursed with agreement funds or furnished by DHS under this agreement.)

- (1) If motor vehicles are purchased/reimbursed with agreement funds or furnished by DHS under the terms of this agreement, within thirty (30) calendar days prior to the termination or end of this agreement, the Contractor and/or Subcontractor shall return such vehicles to DHS and shall deliver all necessary documents of title or registration to enable the proper transfer of a marketable title to DHS.
- (2) If motor vehicles are purchased/reimbursed with agreement funds or furnished by DHS under the terms of this agreement, the State of California shall be the legal owner of said motor vehicles and the Contractor shall be the registered owner. The Contractor and/or a subcontractor may only use said vehicles for performance and under the terms of this agreement.
- (3) The Contractor and/or Subcontractor agree that all operators of motor vehicles, purchased/reimbursed with agreement funds or furnished by DHS under the terms of this agreement, shall hold a valid State of California driver's license. In the event that ten or more passengers are to be transported in any one vehicle, the operator shall also hold a State of California Class B driver's license.
- (4) If any motor vehicle is purchased/reimbursed with agreement funds or furnished by DHS under the terms of this agreement, the Contractor and/or Subcontractor, as applicable, shall provide, maintain, and certify that, at a minimum, the following type and amount of automobile

liability insurance is in effect during the term of this agreement or any period of contract extension during which any vehicle remains in the Contractor's and/or Subcontractor's possession:

Automobile Liability Insurance

- (a) The Contractor, by signing this agreement, hereby certifies that it possesses or will obtain automobile liability insurance in the amount of \$1,000,000 per occurrence for bodily injury and property damage combined. Said insurance must be obtained and made effective upon the delivery date of any motor vehicle, purchased/reimbursed with agreement funds or furnished by DHS under the terms of this agreement, to the Contractor and/or Subcontractor.
- (b) The Contractor and/or Subcontractor shall, as soon as practical, furnish a copy of the certificate of insurance to the DHS program contract manager.
- (c) The Contractor and/or Subcontractor agree that bodily injury and property damage liability insurance, as required herein, shall remain in effect at all times during the term of this agreement or until such time as the motor vehicle is returned to DHS.
- (d) The Contractor and/or Subcontractor agree to provide, at least thirty (30) days prior to the expiration date of said insurance coverage, a copy of a new certificate of insurance evidencing continued coverage, as indicated herein, for not less than the remainder of the term of this agreement, the term of any extension or continuation thereof, or for a period of not less than one (1) year.
- (e) The Contractor and/or Subcontractor, if not a self-insured government and/or public entity, must provide evidence, that any required certificates of insurance contain the following provisions:
 - [1] The insurer will not cancel the insured's coverage without giving thirty (30) calendar days prior written notice to the State (California Department of Health Services).
 - [2] The State of California, its officers, agents, employees, and servants are included as additional insureds, but only with respect to work performed for the State under this agreement and any extension or continuation of this agreement.
 - [3] The insurance carrier shall notify the State of California Department of Health Services, in writing, of the Contractor's failure to pay premiums; its cancellation of such policies; or any other substantial change, including, but not limited to, the status, coverage, or scope of the required insurance. Such notices shall contain a reference to the agreement number for which the insurance was obtained.
- (f) The Contractor and/or Subcontractor is hereby advised that copies of certificates of insurance may be subject to review and approval by the Department of General Services (DGS), Office of Risk and Insurance Management. The Contractor shall be notified by DHS, in writing, if this provision is applicable to this agreement. If DGS approval of the certificate of insurance is required, the Contractor agrees that no work or services shall be performed prior to obtaining said approval.
- (g) In the event the Contractor and/or Subcontractor fails to keep insurance coverage, as required herein, in effect at all times during vehicle possession, DHS may, in addition to any other remedies it may have, terminate this agreement upon the occurrence of such event.

5. Subcontract Requirements

(Applicable to agreements under which services are to be performed by subcontractors including independent consultants.)

- a. Prior written authorization will be required before the Contractor enters into or is reimbursed for any subcontract for services costing \$5,000 or more. Except as indicated in Paragraph a(3) herein, when securing subcontracts for services exceeding \$5,000, the Contractor shall obtain at least three bids or justify a sole source award.
 - (1) The Contractor must provide in its request for authorization, all information necessary for evaluating the necessity or desirability of incurring such cost.
 - (2) The State may identify the information needed to fulfill this requirement.
 - (3) Subcontracts performed by the following entities or for the service types listed below are exempt from the bidding and sole source justification requirements:
 - (a) A local governmental entity or the federal government,
 - (b) A State college or university from any State,
 - (c) A Joint Powers Authority,
 - (d) An auxiliary organization of a California State University or a California community college,
 - (e) A foundation organized to support the Board of Governors of the California Community Colleges,
 - (f) An auxiliary organization of the Student Aid Commission established under Education Code § 69522,
 - (g) Entities of any type that will provide subvention aid or direct services to the public,
 - (h) Entities and/or service types identified as exempt from advertising in State Administrative Manual Section 1233 subsection 3. View this publication at the following Internet address: <http://sam.dgs.ca.gov>.
- b. DHS reserves the right to approve or disapprove the selection of subcontractors and with advance written notice, require the substitution of subcontractors and require the Contractor to terminate subcontracts entered into in support of this agreement.
 - (1) Upon receipt of a written notice from DHS requiring the substitution and/or termination of a subcontract, the Contractor shall take steps to ensure the completion of any work in progress and select a replacement, if applicable, within 30 calendar days, unless a longer period is agreed to by DHS.
- c. Actual subcontracts (i.e., written agreement between the Contractor and a subcontractor) of \$5,000 or more are subject to the prior review and written approval of DHS. DHS may, at its discretion, elect to waive this right. All such waivers shall be confirmed in writing by DHS.
- d. Contractor shall maintain a copy of each subcontract entered into in support of this agreement and shall, upon request by DHS, make copies available for approval, inspection, or audit.
- e. DHS assumes no responsibility for the payment of subcontractors used in the performance of the agreement. Contractor accepts sole responsibility for the payment of subcontractors used in the performance of this agreement.
- f. The Contractor is responsible for all performance requirements under this agreement even though performance may be carried out through a subcontract.
- g. The Contractor shall ensure that all subcontracts for services include provision(s) requiring compliance with applicable terms and conditions specified in this agreement.
- h. The Contractor agrees to include the following clause, relevant to record retention, in all subcontracts for services:

"(Subcontractor Name) agrees to maintain and preserve, until three years after termination of (Agreement Number) and final payment from DHS to the Contractor, to permit DHS or any duly authorized representative, to have access to, examine or audit any pertinent books, documents, papers and records related to this subcontract and to

allow interviews of any employees who might reasonably have information related to such records."

- i. Unless otherwise stipulated in writing by DHS, the Contractor shall be the subcontractor's sole point of contact for all matters related to performance and payment under this agreement.
- j. Contractor shall, as applicable, advise all subcontractors of their obligations pursuant to the following numbered provisions of this Exhibit: 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 13, 14, 17, 19, 20, 24, and 32.

6. Income Restrictions

Unless otherwise stipulated in this agreement, the Contractor agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Contractor under this agreement shall be paid by the Contractor to DHS, to the extent that they are properly allocable to costs for which the Contractor has been reimbursed by DHS under this agreement.

7. Audit and Record Retention

(Applicable to agreements in excess of \$10,000.)

- a. The Contractor and/or Subcontractor shall maintain books, records, documents, and other evidence, accounting procedures and practices, sufficient to properly reflect all direct and indirect costs of whatever nature claimed to have been incurred in the performance of this agreement, including any matching costs and expenses. The foregoing constitutes "records" for the purpose of this provision.
- b. The Contractor's and/or subcontractor's facility or office or such part thereof as may be engaged in the performance of this agreement and his/her records shall be subject at all reasonable times to inspection, audit, and reproduction.
- c. Contractor agrees that DHS, the Department of General Services, the Bureau of State Audits, or their designated representatives including the Comptroller General of the United States shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this agreement. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, the Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this agreement. (GC 8546.7, CCR Title 2, Section 1896).
- d. The Contractor and/or Subcontractor shall preserve and make available his/her records (1) for a period of three years from the date of final payment under this agreement, and (2) for such longer period, if any, as is required by applicable statute, by any other provision of this agreement, or by subparagraphs (1) or (2) below.
 - (1) If this agreement is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for a period of three years from the date of any resulting final settlement.
 - (2) If any litigation, claim, negotiation, audit, or other action involving the records has been started before the expiration of the three-year period, the records shall be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular three-year period, whichever is later.
- e. The Contractor and/or Subcontractor shall comply with the above requirements and be aware of the penalties for violations of fraud and for obstruction of investigation as set forth in Public Contract Code § 10115.10, if applicable.

- f. The Contractor and/or Subcontractor may, at its discretion, following receipt of final payment under this agreement, reduce its accounts, books and records related to this agreement to microfilm, computer disk, CD ROM, or other data storage medium. Upon request by an authorized representative to inspect, audit or obtain copies of said records, the Contractor and/or Subcontractor must supply or make available applicable devices, hardware, and/or software necessary to view, copy and/or print said records. Applicable devices may include, but are not limited to, microfilm readers and microfilm printers, etc.

8. Site Inspection

The State, through any authorized representatives, has the right at all reasonable times to inspect or otherwise evaluate the work performed or being performed hereunder including subcontract supported activities and the premises in which it is being performed. If any inspection or evaluation is made of the premises of the Contractor or Subcontractor, the Contractor shall provide and shall require Subcontractors to provide all reasonable facilities and assistance for the safety and convenience of the authorized representatives in the performance of their duties. All inspections and evaluations shall be performed in such a manner as will not unduly delay the work.

9. Federal Contract Funds

(Applicable only to that portion of an agreement funded in part or whole with federal funds.)

- a. It is mutually understood between the parties that this agreement may have been written before ascertaining the availability of congressional appropriation of funds, for the mutual benefit of both parties, in order to avoid program and fiscal delays which would occur if the agreement were executed after that determination was made.
- b. This agreement is valid and enforceable only if sufficient funds are made available to the State by the United States Government for the fiscal years covered by the term of this agreement. In addition, this agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress or any statute enacted by the Congress which may affect the provisions, terms or funding of this agreement in any manner.
- c. It is mutually agreed that if the Congress does not appropriate sufficient funds for the program, this agreement shall be amended to reflect any reduction in funds.
- d. DHS has the option to invalidate or cancel the agreement with 30-days advance written notice or to amend the agreement to reflect any reduction in funds.

10. Intellectual Property Rights

a. Ownership

- (1) Except where DHS has agreed in a signed writing to accept a license, DHS shall be and remain, without additional compensation, the sole owner of any and all rights, title and interest in all Intellectual Property, from the moment of creation, whether or not jointly conceived, that are made, conceived, derived from, or reduced to practice by Contractor or DHS and which result directly or indirectly from this agreement.
- (2) For the purposes of this agreement, Intellectual Property means recognized protectable rights and interest such as: patents, (whether or not issued) copyrights, trademarks, service marks, applications for any of the foregoing, inventions, trade secrets, trade dress, logos, insignia, color combinations, slogans, moral rights, right of publicity, author's rights, contract and licensing rights, works, mask works, industrial design rights, rights of priority, know how, design flows, methodologies, devices, business processes, developments, innovations, good will and all other legal rights protecting intangible proprietary information as may exist now and/or here after come into existence, and all renewals and extensions, regardless of whether those rights arise under the laws of the United States, or any other state, country or jurisdiction.

- (a) For the purposes of the definition of Intellectual Property, "works" means all literary works, writings and printed matter including the medium by which they are recorded or reproduced, photographs, art work, pictorial and graphic representations and works of a similar nature, film, motion pictures, digital images, animation cells, and other audiovisual works including positives and negatives thereof, sound recordings, tapes, educational materials, interactive videos and any other materials or products created, produced, conceptualized and fixed in a tangible medium of expression. It includes preliminary and final products and any materials and information developed for the purposes of producing those final products. Works does not include articles submitted to peer review or reference journals or independent research projects.
- (3) In the performance of this agreement, Contractor will exercise and utilize certain of its Intellectual Property in existence prior to the effective date of this agreement. In addition, under this agreement, Contractor may access and utilize certain of DHS' Intellectual Property in existence prior to the effective date of this agreement. Except as otherwise set forth herein, Contractor shall not use any of DHS' Intellectual Property now existing or hereafter existing for any purposes without the prior written permission of DHS. **Except as otherwise set forth herein, neither the Contractor nor DHS shall give any ownership interest in or rights to its Intellectual Property to the other Party.** If during the term of this agreement, Contractor accesses any third-party Intellectual Property that is licensed to DHS, Contractor agrees to abide by all license and confidentiality restrictions applicable to DHS in the third-party's license agreement.
- (4) Contractor agrees to cooperate with DHS in establishing or maintaining DHS' exclusive rights in the Intellectual Property, and in assuring DHS' sole rights against third parties with respect to the Intellectual Property. If the Contractor enters into any agreements or subcontracts with other parties in order to perform this agreement, Contractor shall require the terms of the agreement(s) to include all Intellectual Property provisions. Such terms must include, but are not limited to, the subcontractor assigning and agreeing to assign to DHS all rights, title and interest in Intellectual Property made, conceived, derived from, or reduced to practice by the subcontractor, Contractor or DHS and which result directly or indirectly from this agreement or any subcontract.
- (5) Contractor further agrees to assist and cooperate with DHS in all reasonable respects, and execute all documents and, subject to reasonable availability, give testimony and take all further acts reasonably necessary to acquire, transfer, maintain, and enforce DHS' Intellectual Property rights and interests.

b. Retained Rights / License Rights

- (1) Except for Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or DHS and which result directly or indirectly from this agreement, Contractor shall retain title to all of its Intellectual Property to the extent such Intellectual Property is in existence prior to the effective date of this agreement. Contractor hereby grants to DHS, without additional compensation, a permanent, non-exclusive, royalty free, paid-up, worldwide, irrevocable, perpetual, non-terminable license to use, reproduce, manufacture, sell, offer to sell, import, export, modify, publicly and privately display/perform, distribute, and dispose Contractor's Intellectual Property with the right to sublicense through multiple layers, for any purpose whatsoever, to the extent it is incorporated in the Intellectual Property resulting from this agreement, unless Contractor assigns all rights, title and interest in the Intellectual Property as set forth herein.
- (2) Nothing in this provision shall restrict, limit, or otherwise prevent Contractor from using any ideas, concepts, know-how, methodology or techniques related to its performance under this agreement, provided that Contractor's use does not infringe the patent, copyright, trademark rights, license or other Intellectual Property rights of DHS or third party, or result in a breach or default of any provisions of this Exhibit or result in a breach of any provisions of law relating to confidentiality.

c. Copyright

- (1) Contractor agrees that for purposes of copyright law, all works [as defined in Section a, subparagraph (2)(a) of this provision] of authorship made by or on behalf of Contractor in connection with Contractor's performance of this agreement shall be deemed "works made for hire". Contractor further agrees that the work of each person utilized by Contractor in connection with the performance of this agreement will be a "work made for hire," whether that person is an employee of Contractor or that person has entered into an agreement with Contractor to perform the work. Contractor shall enter into a written agreement with any such person that: (i) all work performed for Contractor shall be deemed a "work made for hire" under the Copyright Act and (ii) that person shall assign all right, title, and interest to DHS to any work product made, conceived, derived from, or reduced to practice by Contractor or DHS and which result directly or indirectly from this agreement.
- (2) All materials, including, but not limited to, visual works or text, reproduced or distributed pursuant to this agreement that include Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or DHS and which result directly or indirectly from this agreement, shall include DHS' notice of copyright, which shall read in 3mm or larger typeface: "© [Enter Current Year e.g., 2004, etc.], State of California, Department of Health Services. This material may not be reproduced or disseminated without prior written permission from the Department of Health Services." This notice should be placed prominently on the materials and set apart from other matter on the page where it appears. Audio productions shall contain a similar audio notice of copyright.

d. Patent Rights

With respect to inventions made by Contractor in the performance of this agreement, which did not result from research and development specifically included in the agreement's scope of work, Contractor hereby grants to DHS a license as described under Section b of this provision for devices or material incorporating, or made through the use of such inventions. If such inventions result from research and development work specifically included within the agreement's scope of work, then Contractor agrees to assign to DHS, without additional compensation, all its right, title and interest in and to such inventions and to assist DHS in securing United States and foreign patents with respect thereto.

e. Third-Party Intellectual Property

Except as provided herein, Contractor agrees that its performance of this agreement shall not be dependent upon or include any Intellectual Property of Contractor or third party without first: (i) obtaining DHS' prior written approval; and (ii) granting to or obtaining for DHS, without additional compensation, a license, as described in Section b of this provision, for any of Contractor's or third-party's Intellectual Property in existence prior to the effective date of this agreement. If such a license upon the these terms is unattainable, and DHS determines that the Intellectual Property should be included in or is required for Contractor's performance of this agreement, Contractor shall obtain a license under terms acceptable to DHS.

f. Warranties

- (1) Contractor represents and warrants that:
 - (a) It is free to enter into and fully perform this agreement.
 - (b) It has secured and will secure all rights and licenses necessary for its performance of this agreement.
 - (c) Neither Contractor's performance of this agreement, nor the exercise by either Party of the rights granted in this agreement, nor any use, reproduction, manufacture, sale, offer to sell, import, export, modification, public and private display/performance, distribution,

and disposition of the Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or DHS and which result directly or indirectly from this agreement will infringe upon or violate any Intellectual Property right, non-disclosure obligation, or other proprietary right or interest of any third-party or entity now existing under the laws of, or hereafter existing or issued by, any state, the United States, or any foreign country. There is currently no actual or threatened claim by any such third party based on an alleged violation of any such right by Contractor.

- (d) Neither Contractor's performance nor any part of its performance will violate the right of privacy of, or constitute a libel or slander against any person or entity.
 - (e) It has secured and will secure all rights and licenses necessary for Intellectual Property including, but not limited to, consents, waivers or releases from all authors of music or performances used, and talent (radio, television and motion picture talent), owners of any interest in and to real estate, sites, locations, property or props that may be used or shown.
 - (f) It has not granted and shall not grant to any person or entity any right that would or might derogate, encumber, or interfere with any of the rights granted to DHS in this agreement.
 - (g) It has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.
 - (h) It has no knowledge of any outstanding claims, licenses or other charges, liens, or encumbrances of any kind or nature whatsoever that could affect in any way Contractor's performance of this agreement.
- (2) DHS MAKES NO WARRANTY THAT THE INTELLECTUAL PROPERTY RESULTING FROM THIS AGREEMENT DOES NOT INFRINGE UPON ANY PATENT, TRADEMARK, COPYRIGHT OR THE LIKE, NOW EXISTING OR SUBSEQUENTLY ISSUED.

g. Intellectual Property Indemnity

- (1) Contractor shall indemnify, defend and hold harmless DHS and its licensees and assignees, and its officers, directors, employees, agents, representatives, successors, and users of its products, ("Indemnitees") from and against all claims, actions, damages, losses, liabilities (or actions or proceedings with respect to any thereof), whether or not rightful, arising from any and all actions or claims by any third party or expenses related thereto (including, but not limited to, all legal expenses, court costs, and attorney's fees incurred in investigating, preparing, serving as a witness in, or defending against, any such claim, action, or proceeding, commenced or threatened) to which any of the Indemnitees may be subject, whether or not Contractor is a party to any pending or threatened litigation, which arise out of or are related to (i) the incorrectness or breach of any of the representations, warranties, covenants or agreements of Contractor pertaining to Intellectual Property; or (ii) any Intellectual Property infringement, or any other type of actual or alleged infringement claim, arising out of DHS' use, reproduction, manufacture, sale, offer to sell, distribution, import, export, modification, public and private performance/display, license, and disposition of the Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or DHS and which result directly or indirectly from this agreement. This indemnity obligation shall apply irrespective of whether the infringement claim is based on a patent, trademark or copyright registration that issued after the effective date of this agreement. DHS reserves the right to participate in and/or control, at Contractor's expense, any such infringement action brought against DHS.
- (2) Should any Intellectual Property licensed by the Contractor to DHS under this agreement become the subject of an Intellectual Property infringement claim, Contractor will exercise its authority reasonably and in good faith to preserve DHS' right to use the licensed Intellectual Property in accordance with this agreement at no expense to DHS. DHS shall have the right to monitor and appear through its own counsel (at Contractor's expense) in any such claim or

action. In the defense or settlement of the claim, Contractor may obtain the right for DHS to continue using the licensed Intellectual Property; or, replace or modify the licensed Intellectual Property so that the replaced or modified Intellectual Property becomes non-infringing provided that such replacement or modification is functionally equivalent to the original licensed Intellectual Property. If such remedies are not reasonably available, DHS shall be entitled to a refund of all monies paid under this agreement, without restriction or limitation of any other rights and remedies available at law or in equity.

- (3) Contractor agrees that damages alone would be inadequate to compensate DHS for breach of any term of this Intellectual Property Exhibit by Contractor. Contractor acknowledges DHS would suffer irreparable harm in the event of such breach and agrees DHS shall be entitled to obtain equitable relief, including without limitation an injunction, from a court of competent jurisdiction, without restriction or limitation of any other rights and remedies available at law or in equity.

h. Federal Funding

In any agreement funded in whole or in part by the federal government, DHS may acquire and maintain the Intellectual Property rights, title, and ownership, which results directly or indirectly from the agreement; except as provided in 37 Code of Federal Regulations part 401.14; however, the federal government shall have a non-exclusive, nontransferable, irrevocable, paid-up license throughout the world to use, duplicate, or dispose of such Intellectual Property throughout the world in any manner for governmental purposes and to have and permit others to do so.

i. Survival

The provisions set forth herein shall survive any termination or expiration of this agreement or any project schedule.

11. Air or Water Pollution Requirements

Any federally funded agreement and/or subcontract in excess of \$100,000 must comply with the following provisions unless said agreement is exempt under 40 CFR 15.5.

- a. Government contractors agree to comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act [42 U.S.C. 1857(h)], section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15).
- b. Institutions of higher education, hospitals, nonprofit organizations and commercial businesses agree to comply with all applicable standards, orders, or requirements issued under the Clean Air Act (42 U.S.C. 7401 et seq.), as amended, and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended.

12. Prior Approval of Training Seminars, Workshops or Conferences

Contractor shall obtain prior DHS approval of the location, costs, dates, agenda, instructors, instructional materials, and attendees at any reimbursable training seminar, workshop, or conference conducted pursuant to this contract and of any reimbursable publicity or educational materials to be made available for distribution. The Contractor shall acknowledge the support of the State whenever publicizing the work under this agreement in any media. This provision does not apply to necessary staff meetings or training sessions held for the staff of the Contractor or Subcontractor to conduct routine business matters.

13. Confidentiality of Information

- a. The Contractor and its employees, agents, or subcontractors shall protect from unauthorized disclosure names and other identifying information concerning persons either receiving services pursuant to this agreement or persons whose names or identifying information become available or are disclosed to the Contractor, its employees, agents, or subcontractors as a result of services performed under this agreement, except for statistical information not identifying any such person.
- b. The Contractor and its employees, agents, or subcontractors shall not use such identifying information for any purpose other than carrying out the Contractor's obligations under this agreement.
- c. The Contractor and its employees, agents, or subcontractors shall promptly transmit to the DHS program contract manager all requests for disclosure of such identifying information not emanating from the client or person.
- d. The Contractor shall not disclose, except as otherwise specifically permitted by this agreement or authorized by the client, any such identifying information to anyone other than DHS without prior written authorization from the DHS program contract manager, except if disclosure is required by State or Federal law.
- e. For purposes of this provision, identity shall include, but not be limited to name, identifying number, symbol, or other identifying particular assigned to the individual, such as finger or voice print or a photograph.

14. Documents, Publications and Written Reports

(Applicable to agreements over \$5,000 under which publications, written reports and documents are developed or produced. Government Code Section 7550.)

Any document, publication or written report (excluding progress reports, financial reports and normal contract communications) prepared as a requirement of this agreement shall contain, in a separate section preceding the main body of the document, the number and dollar amounts of all contracts and subcontracts relating to the preparation of such document or report, if the total cost for work by nonemployees of the State exceeds \$5,000.

15. Dispute Resolution Process

- a. A Contractor grievance exists whenever there is a dispute arising from DHS' action in the administration of an agreement. If there is a dispute or grievance between the Contractor and DHS, the Contractor must seek resolution using the procedure outlined below.
 - (1) The Contractor should first informally discuss the problem with the DHS program contract manager. If the problem cannot be resolved informally, the Contractor shall direct its grievance together with any evidence, in writing, to the program Branch Chief. The grievance shall state the issues in dispute, the legal authority or other basis for the Contractor's position and the remedy sought. The Branch Chief shall render a decision within ten (10) working days after receipt of the written grievance from the Contractor. The Branch Chief shall respond in writing to the Contractor indicating the decision and reasons therefore. Should the Contractor disagree with the Branch Chief's decision, the Contractor may appeal to the second level.
 - (2) When appealing to the second level, the Contractor must prepare an appeal indicating the reasons for disagreement with Branch Chief's decision. The Contractor shall include with the appeal a copy of the Contractor's original statement of dispute along with any supporting evidence and a copy of the Branch Chief's decision. The appeal shall be addressed to the Deputy Director of the division in which the branch is organized within ten (10) working days from receipt of the Branch Chief's decision. The Deputy Director of the division in which the branch is organized or his/her designee shall meet with the Contractor to review the issues raised. A written decision signed by the Deputy Director of the division in which the branch is

organized or his/her designee shall be directed to the Contractor within twenty (20) working days of receipt of the Contractor's second level appeal.

- b. If the Contractor wishes to appeal the decision of the Deputy Director of the division in which the branch is organized or his/her designee, the Contractor shall follow the procedures set forth in Division 25.1 (commencing with Section 38050) of the Health and Safety Code and the regulations adopted thereunder. (Title 1, Subchapter 2.5, commencing with Section 251, California Code of Regulations.)
- c. Disputes arising out of an audit, examination of an agreement or other action not covered by subdivision (a) of Section 20204, of Chapter 2.1, Title 22, of the California Code of Regulations, and for which no procedures for appeal are provided in statute, regulation or the agreement, shall be handled in accordance with the procedures identified in Sections 51016 through 51047, Title 22, California Code of Regulations.
- d. Unless otherwise stipulated in writing by DHS, all dispute, grievance and/or appeal correspondence shall be directed to the DHS program contract manager.
- e. There are organizational differences within DHS' funding programs and the management levels identified in this dispute resolution provision may not apply in every contractual situation. When a grievance is received and organizational differences exist, the Contractor shall be notified in writing by the DHS program contract manager of the level, name, and/or title of the appropriate management official that is responsible for issuing a decision at a given level.

16. Financial and Compliance Audit Requirements

- a. The definitions used in this provision are contained in Section 38040 of the Health and Safety Code, which by this reference is made a part hereof.
- b. Direct service contract means a contract for services contained in local assistance or subvention programs or both (see Health and Safety [H&S] Code section 38020). Direct service contracts shall not include contracts, grants, or subventions to other governmental agencies or units of government nor contracts with regional centers or area agencies on aging (H&S Code section 38030).
- c. The Contractor, as indicated below, agrees to obtain one of the following audits:
 - (1) If the Contractor is a nonprofit organization (as defined in H&S Code section 38040) and receives \$25,000 or more from any State agency under a direct service contract; the Contractor agrees to obtain an annual single, organization wide, financial and compliance audit. Said audit shall be conducted according to Generally Accepted Auditing Standards. This audit does not fulfill the audit requirements of Paragraph c(3) below. The audit shall be completed by the 15th day of the fifth month following the end of the Contractor's fiscal year, **and/or**
 - (2) If the Contractor is a nonprofit organization (as defined in H&S Code section 38040) and receives less than \$25,000 per year from any State agency under a direct service contract, the Contractor agrees to obtain a biennial single, organization wide financial and compliance audit, unless there is evidence of fraud or other violation of state law in connection with this agreement. This audit does not fulfill the audit requirements of Paragraph c(3) below. The audit shall be completed by the 15th day of the fifth month following the end of the Contractor's fiscal year, **and/or**
 - (3) If the Contractor is a State or Local Government entity or Nonprofit organization (as defined by the Federal Office of Management and Budget [OMB] Circular A-133) and expends \$500,000 or more in Federal awards, the Contractor agrees to obtain an annual single, organization wide, financial and compliance audit according to the requirements specified in OMB Circular A-133 entitled "Audits of States, Local Governments, and Non-Profit Organizations". An audit conducted pursuant to this provision will fulfill the audit requirements outlined in Paragraphs c(1) and c(2) above. The audit shall be completed by the end of the

ninth month following the end of the audit period. The requirements of this provision apply if:

- (a) The Contractor is a recipient expending Federal awards received directly from Federal awarding agencies, or
 - (b) The Contractor is a subrecipient expending Federal awards received from a pass-through entity such as the State, County or community based organization.
- (4) If the Contractor submits to DHS a report of an audit other than an OMB A-133 audit, the Contractor must also submit a certification indicating the Contractor has not expended \$500,000 or more in federal funds for the year covered by the audit report.
- d. Two copies of the audit report shall be delivered to the DHS program funding this agreement. The audit report must identify the Contractor's legal name and the number assigned to this agreement. The audit report shall be due within 30 days after the completion of the audit. Upon receipt of said audit report, the DHS program contract manager shall forward the audit report to DHS' Audits and Investigations Unit if the audit report was submitted under Section 16.c(3), unless the audit report is from a City, County, or Special District within the State of California whereby the report will be retained by the funding program.
 - e. The cost of the audits described herein may be included in the funding for this agreement up to the proportionate amount this agreement represents of the Contractor's total revenue. The DHS program funding this agreement must provide advance written approval of the specific amount allowed for said audit expenses.
 - f. The State or its authorized designee, including the Bureau of State Audits, is responsible for conducting agreement performance audits which are not financial and compliance audits. Performance audits are defined by Generally Accepted Government Auditing Standards.
 - g. Nothing in this agreement limits the State's responsibility or authority to enforce State law or regulations, procedures, or reporting requirements arising thereto.
 - h. Nothing in this provision limits the authority of the State to make audits of this agreement, provided however, that if independent audits arranged for by the Contractor meet Generally Accepted Governmental Auditing Standards, the State shall rely on those audits and any additional audit work and shall build upon the work already done.
 - i. The State may, at its option, direct its own auditors to perform either of the audits described above. The Contractor will be given advance written notification, if the State chooses to exercise its option to perform said audits.
 - j. The Contractor shall include a clause in any agreement the Contractor enters into with the audit firm doing the single organization wide audit to provide access by the State or Federal Government to the working papers of the independent auditor who prepares the single organization wide audit for the Contractor.
 - k. Federal or state auditors shall have "expanded scope auditing" authority to conduct specific program audits during the same period in which a single organization wide audit is being performed, but the audit report has not been issued. The federal or state auditors shall review and have access to the current audit work being conducted and will not apply any testing or review procedures which have not been satisfied by previous audit work that has been completed.

The term "expanded scope auditing" is applied and defined in the U.S. General Accounting Office (GAO) issued Standards for *Audit of Government Organizations, Programs, Activities and Functions*, better known as the "yellow book".

17. Human Subjects Use Requirements

(Applicable only to federally funded agreements/grants in which performance, directly or through a subcontract/subaward, includes any tests or examination of materials derived from the human body.)

By signing this agreement, Contractor agrees that if any performance under this agreement or any subcontract or subagreement includes any tests or examination of materials derived from the human body for the purpose of providing information, diagnosis, prevention, treatment or assessment of disease, impairment, or health of a human being, all locations at which such examinations are performed shall meet the requirements of 42 U.S.C. Section 263a (CLIA) and the regulations thereunder.

18. Novation Requirements

If the Contractor proposes any novation agreement, DHS shall act upon the proposal within 60 days after receipt of the written proposal. DHS may review and consider the proposal, consult and negotiate with the Contractor, and accept or reject all or part of the proposal. Acceptance or rejection of the proposal may be made orally within the 60-day period and confirmed in writing within five days of said decision. Upon written acceptance of the proposal, DHS will initiate an amendment to this agreement to formally implement the approved proposal.

19. Debarment and Suspension Certification

(Applicable to all agreements funded in part or whole with federal funds.)

- a. By signing this agreement, the Contractor/Grantee agrees to comply with applicable federal suspension and debarment regulations including, but not limited to 7 CFR Part 3017, 45 CFR 76, 40 CFR 32 or 34 CFR 85.
- b. By signing this agreement, the Contractor certifies to the best of its knowledge and belief, that it and its principals:
 - (1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency;
 - (2) Have not within a three-year period preceding this application/proposal/agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in Paragraph b(2) herein; and
 - (4) Have not within a three-year period preceding this application/proposal/agreement had one or more public transactions (Federal, State or local) terminated for cause or default.
 - (5) Shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under federal regulations (i.e., 48 CFR part 9, subpart 9.4), debarred, suspended, declared ineligible, or voluntarily excluded from participation in such transaction, unless authorized by the State.
 - (6) Will include a clause entitled, "Debarment and Suspension Certification" that essentially sets forth the provisions herein, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- c. If the Contractor is unable to certify to any of the statements in this certification, the Contractor shall submit an explanation to the DHS program funding this contract.

- d. The terms and definitions herein have the meanings set out in the Definitions and Coverage sections of the rules implementing Federal Executive Order 12549.
- e. If the Contractor knowingly violates this certification, in addition to other remedies available to the Federal Government, the DHS may terminate this agreement for cause or default.

20. Smoke-Free Workplace Certification

(Applicable to federally funded agreements/grants and subcontracts/subawards, that provide health, day care, early childhood development services, education or library services to children under 18 directly or through local governments.)

- a. Public Law 103-227, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by federal programs either directly or through state or local governments, by federal grant, contract, loan, or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where WIC coupons are redeemed.
- b. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible party.
- c. By signing this agreement, Contractor or Grantee certifies that it will comply with the requirements of the Act and will not allow smoking within any portion of any indoor facility used for the provision of services for children as defined by the Act. The prohibitions herein are effective December 26, 1994.
- d. Contractor or Grantee further agrees that it will insert this certification into any subawards (subcontracts or subgrants) entered into that provide for children's services as described in the Act.

21. Covenant Against Contingent Fees

(Applicable only to federally funded agreements.)

The Contractor warrants that no person or selling agency has been employed or retained to solicit/secure this agreement upon an agreement of understanding for a commission, percentage, brokerage, or contingent fee, except *bona fide* employees or *bona fide* established commercial or selling agencies retained by the Contractor for the purpose of securing business. For breach or violation of this warranty, DHS shall have the right to annul this agreement without liability or in its discretion to deduct from the agreement price or consideration, or otherwise recover, the full amount of such commission, percentage, and brokerage or contingent fee.

22. Payment Withholds

(Applicable only if a final report is required by this agreement. Not applicable to government entities.)

Unless waived or otherwise stipulated in this contract, DHS may, at its discretion, withhold 10 percent (10%) of the face amount of the agreement, 50 percent (50%) of the final invoice, or \$3,000 whichever is greater, until DHS receives a final report that meets the terms, conditions and/or scope of work requirements of this agreement.

23. Performance Evaluation

(Not applicable to grant agreements.)

DHS may, at its discretion, evaluate the performance of the Contractor at the conclusion of this agreement. If performance is evaluated, the evaluation shall not be a public record and shall remain on file with DHS. Negative performance evaluations may be considered by DHS prior to making future contract awards.

24. Officials Not to Benefit

No members of or delegate of Congress or the State Legislature shall be admitted to any share or part of this agreement, or to any benefit that may arise therefrom. This provision shall not be construed to extend to this agreement if made with a corporation for its general benefits.

25. Four-Digit Date Compliance

Contractor warrants that it will provide only Four-Digit Date Compliant (as defined below) Deliverables and/or services to the State. "Four Digit Date compliant" Deliverables and services can accurately process, calculate, compare, and sequence date data, including without limitation date data arising out of or relating to leap years and changes in centuries. This warranty and representation is subject to the warranty terms and conditions of this Contract and does not limit the generality of warranty obligations set forth elsewhere herein.

26. Prohibited Use of State Funds for Software

(Applicable to agreements in which computer software is used in performance of the work.)

Contractor certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

27. Use of Small, Minority Owned and Women's Businesses

(Applicable to that portion of an agreement that is federally funded and entered into with institutions of higher education, hospitals, nonprofit organizations or commercial businesses.)

Positive efforts shall be made to use small businesses, minority-owned firms and women's business enterprises, whenever possible (i.e., procurement of goods and/or services). Contractors shall take all of the following steps to further this goal.

- (1) Ensure that small businesses, minority-owned firms, and women's business enterprises are used to the fullest extent practicable.
- (2) Make information on forthcoming purchasing and contracting opportunities available and arrange time frames for purchases and contracts to encourage and facilitate participation by small businesses, minority-owned firms, and women's business enterprises.
- (3) Consider in the contract process whether firms competing for larger contracts intend to subcontract with small businesses, minority-owned firms, and women's business enterprises.
- (4) Encourage contracting with consortiums of small businesses, minority-owned firms and women's business enterprises when a contract is too large for one of these firms to handle individually.
- (5) Use the services and assistance, as appropriate, of such organizations as the Federal Small Business Administration and the U.S. Department of Commerce's Minority Business Development Agency in the solicitation and utilization of small businesses, minority-owned firms and women's business enterprises.

28. Alien Ineligibility Certification

(Applicable to sole proprietors entering federally funded agreements.)

By signing this agreement, the Contractor certifies that he/she is not an alien that is ineligible for state and local benefits, as defined in Subtitle B of the Personal Responsibility and Work Opportunity Act. (8 U.S.C. 1601, et seq.)

29. Union Organizing

(Applicable only to grant agreements.)

Grantee, by signing this agreement, hereby acknowledges the applicability of Government Code 16645 through 16649 to this agreement. Furthermore, Grantee, by signing this agreement, hereby certifies that:

- a. No state funds disbursed by this grant will be used to assist, promote or deter union organizing.
- b. Grantee shall account for state funds disbursed for a specific expenditure by this grant, to show those funds were allocated to that expenditure.
- c. Grantee shall, where state funds are not designated as described in b herein, allocate, on a pro-rata basis, all disbursements that support the grant program.
- d. If Grantee makes expenditures to assist, promote or deter union organizing, Grantee will maintain records sufficient to show that no state funds were used for those expenditures, and that Grantee shall provide those records to the Attorney General upon request.

30. Contract Uniformity (Fringe Benefit Allowability)

(Applicable only to nonprofit organizations.)

Pursuant to the provisions of Article 7 (commencing with Section 100525) of Chapter 3 of Part 1 of Division 101 of the Health and Safety Code, DHS sets forth the following policies, procedures, and guidelines regarding the reimbursement of fringe benefits.

- a. As used herein fringe benefits shall mean an employment benefit given by one's employer to an employee in addition to one's regular or normal wages or salary.
- b. As used herein, fringe benefits do not include:
 - (1) Compensation for personal services paid currently or accrued by the Contractor for services of employees rendered during the term of this agreement, which is identified as regular or normal salaries and wages, annual leave, vacation, sick leave, holidays, jury duty and/or military leave/training.
 - (2) Director's and executive committee member's fees.
 - (3) Incentive awards and/or bonus incentive pay.
 - (4) Allowances for off-site pay.
 - (5) Location allowances.
 - (6) Hardship pay.
 - (7) Cost-of-living differentials
- c. Specific allowable fringe benefits include:
 - (1) Fringe benefits in the form of employer contributions for the employer's portion of payroll taxes (i.e., FICA, SUI, SDI), employee health plans (i.e., health, dental and vision), unemployment insurance, worker's compensation insurance, and the employer's share of pension/retirement plans, provided they are granted in accordance with established written organization policies and meet all legal and Internal Revenue Service requirements.

- d. To be an allowable fringe benefit, the cost must meet the following criteria:
- (1) Be necessary and reasonable for the performance of the agreement.
 - (2) Be determined in accordance with generally accepted accounting principles.
 - (3) Be consistent with policies that apply uniformly to all activities of the Contractor.
- e. Contractor agrees that all fringe benefits shall be at actual cost.
- f. Earned/Accrued Compensation
- (1) Compensation for vacation, sick leave and holidays is limited to that amount earned/accrued within the agreement term. Unused vacation, sick leave and holidays earned from periods prior to the agreement term cannot be claimed as allowable costs. See Provision f (3)(a) for an example.
 - (2) For multiple year contracts, vacation and sick leave compensation, which is earned/accrued but not paid, due to employee(s) not taking time off may be carried over and claimed within the overall term of the multiple years of the agreement. Holidays cannot be carried over from one contract year to the next. See Provision f (3)(b) for an example.
 - (3) For single year agreements, vacation, sick leave and holiday compensation that is earned/accrued but not paid, due to employee(s) not taking time off within the term of the agreement, cannot be claimed as an allowable cost. See Provision f (3)(c) for an example.

(a) Example No. 1:

If an employee, John Doe, earns/accrues three weeks of vacation and twelve days of sick leave each year, then that is the maximum amount that may be claimed during a contract period of one year. If John Doe has five weeks of vacation and eighteen days of sick leave at the beginning of the agreement, the Contractor during a one-year agreement term may only claim up to three weeks of vacation and twelve days of sick leave actually used by the employee. Amounts earned/accrued in periods prior to the beginning of the agreement are not an allowable cost.

(b) Example No. 2:

If during a three-year (multiple year) agreement, John Doe does not use his three weeks of vacation in year one, or his three weeks in year two, but he does actually use nine weeks in year three; the Contractor would be allowed to claim all nine weeks paid for in year three. The total compensation over the three-year period cannot exceed 156 weeks (3 x 52 weeks).

(c) Example No. 3:

If during a single year agreement, John Doe works fifty weeks and used one week of vacation and one week of sick leave and all fifty-two weeks have been billed to DHS, the remaining unused two weeks of vacation and seven days of sick leave may not be claimed as an allowable cost.

31. Lobbying Restrictions and Disclosure Certification

(Applicable to federally funded contracts in excess of \$100,000 per Section 1352 of the 31, U.S.C.)

a. Certification and Disclosure Requirements

- (1) Each person (or recipient) who requests or receives a contract, subcontract, grant, or subgrant, which is subject to Section 1352 of the 31, U.S.C., and which exceeds \$100,000 at any tier, shall file a certification (in the form set forth in Attachment 1, consisting of one page, entitled "Certification Regarding Lobbying") that the recipient has not made, and will not make, any payment prohibited by Paragraph b of this provision.
- (2) Each recipient shall file a disclosure (in the form set forth in Attachment 2, entitled "Standard Form-LLL 'disclosure of Lobbying Activities'") if such recipient has made or has agreed to make any payment using nonappropriated funds (to include profits from any covered federal action) in connection with a contract or grant or any extension or amendment of that contract or grant, which would be prohibited under Paragraph b of this provision if paid for with appropriated funds.
- (3) Each recipient shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affect the accuracy of the information contained in any disclosure form previously filed by such person under Paragraph a(2) herein. An event that materially affects the accuracy of the information reported includes:
 - (a) A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered federal action;
 - (b) A change in the person(s) or individuals(s) influencing or attempting to influence a covered federal action; or
 - (c) A change in the officer(s), employee(s), or member(s) contacted for the purpose of influencing or attempting to influence a covered federal action.
- (4) Each person (or recipient) who requests or receives from a person referred to in Paragraph a(1) of this provision a contract, subcontract, grant or subgrant exceeding \$100,000 at any tier under a contract or grant shall file a certification, and a disclosure form, if required, to the next tier above.
- (5) All disclosure forms (but not certifications) shall be forwarded from tier to tier until received by the person referred to in Paragraph a(1) of this provision. That person shall forward all disclosure forms to DHS program contract manager.

b. Prohibition

Section 1352 of Title 31, U.S.C., provides in part that no appropriated funds may be expended by the recipient of a federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered federal actions: the awarding of any federal contract, the making of any federal grant, the making of any federal loan, entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

Attachment 1

STATE OF CALIFORNIA
DEPARTMENT OF HEALTH SERVICES

CERTIFICATION REGARDING LOBBYING

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making, awarding or entering into of this Federal contract, Federal grant, or cooperative agreement, and the extension, continuation, renewal, amendment, or modification of this Federal contract, grant, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency of the United States Government, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure of Lobbying Activities" in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontractors, subgrants, and contracts under grants and cooperative agreements) of \$100,000 or more, and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S.C., any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Name of Contractor

Printed Name of Person Signing for Contractor

Contract / Grant Number

Signature of Person Signing for Contractor

Date

Title

After execution by or on behalf of Contractor, please return to:

Department of Health Services
(Name of the DHS program providing the funds)
(Program's Street Address, Room Number, and MS Code)
P.O. Box 997413
Sacramento, CA 95899-7413

Attachment 2

CERTIFICATION REGARDING LOBBYING

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure)

Approved by OMB
0348-0046

1. Type of Federal Action: a. contract b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance	2. Status of Federal Action: a. bid/offer/application b. initial award c. post-award	3. Report Type: a. initial filing b. material change For Material Change Only: Year _____ quarter _____ date of last report _____
4. Name and Address of Reporting Entity: <div style="display: flex; justify-content: space-between;"> Prime Subawardee </div> Tier _____, if known: Congressional District, If known:		5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime: Congressional District, If known:
6. Federal Department/Agency:	7. Federal Program Name/Description: CDFA Number, if applicable: _____	
8. Federal Action Number, if known:	9. Award Amount, if known:	
10. a. Name and Address of Lobbying Entity (If individual, last name, first name, MI): (attach Continuation Sheet(s) SF-LLL-A, If necessary)		b. Name and Address of Lobbying Entity (If individual, last name, first name, MI):
11. Amount of Payment (check all that apply): \$ _____ actual _____ planned _____	13. Type of Payment (check all that apply): a. retainer b. one-time fee c. commission d. contingent fee e. deferred f. other, specify: _____	
12. Form of Payment (check all that apply): a. cash b. in-kind, specify: Nature _____ Value _____		
14. Brief Description of Services Performed or to be Performed and Dates(s) of Service, including Officer(s), Employee(s), or Member(s) Contracted for Payment indicated in item 11: (Attach Continuation Sheet(s) SF-LLL-A, If necessary)		
15. Continuation Sheet(s) SF-LLL-A Attached: <div style="display: flex; justify-content: space-around;"> Yes No </div>		
16. Information requested through this form is authorized by Title 31, U.S.C., Section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to Title 31, U.S.C., Section 1352. This information will be reported to the Congress semiannually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$19,000 and not more than \$100,000 for each such failure.		Signature: _____ Print Name: _____ Title: _____ Telephone No.: _____ Date: _____
Federal Use Only		Authorized for Local Reproduction Standard Form-LLL

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime federal recipients at the initiation or receipt of a covered federal action, or a material change to a previous filing, pursuant to Title 31, U.S.C., Section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered federal action. Use the SF - LLL-A Continuation Sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered federal action.
2. Identify the status of the covered federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered federal action.
4. Enter the full name, address, city, state, and ZIP code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants, and contract awards under grants.
5. If the organization filing the report in Item 4 checks "Subawardee," then enter the full name, address, city, state, and ZIP code of the prime federal recipient. Include Congressional District, if known.
6. Enter the name of the federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation United States Coast Guard.
7. Enter the federal program name or description for the covered federal action (Item 1). If known, enter the full Catalog of Federal Domestic Assistance (CDFA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate federal identifying number available for the federal action identified in Item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract grant, or loan award number; the application/proposal control number assigned by the federal agency). Include prefixes, e.g., "RFP-DE-90401."
9. For a covered federal action where there has been an award or loan commitment by the federal agency, enter the federal amount of the award/loan commitment for the prime entity identified in Item 4 or 5.
10. (a) Enter the full name, address, city, state, and ZIP code of the lobbying entity engaged by the reporting entity identified in Item 4 to influence the covered federal action.
10. (b) Enter the full names of the Individual(s) performing services and include full address if different from 10.(a). Enter last name, first name, and middle initial (MI).
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (Item 4) to the lobbying entity (Item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
12. Check the appropriate box(es). Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
13. Check the appropriate box(es). Check all boxes that apply. If other, specify nature.
14. Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the date(s) of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with federal officials, identify the federal official(s) or employee(s) contacted or the officer(s), employee(s), or Member(s) of Congress that were contacted.
15. Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.
16. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instruction, searching existing data sources, gathering and maintaining the data needed, and completing and renewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to the Office of Management and Budget, Paperwork Reduction Project, (0348-0046), Washington, DC 20503.

Exhibit E
Additional Provisions

1. Incorporated Exhibits

- A. The following documents and any subsequent updates are not attached, but are incorporated herein and made a part hereof by this reference. These documents may be updated periodically by DHS, as required by program directives. DHS shall provide the Contractor with copies of said documents and any periodic updates thereto under separate cover. DHS will maintain on file, all documents referenced herein and any subsequent updates.
- 1) Immunization Assessment of Child Care/Head Start and Kindergarten Enrollees and Review of Child Care/Head Start Centers and Kindergarten Schools, developed by DHS Immunization Branch, 2004.
 - 2) California Vaccine-Preventable Disease Surveillance Manual, DHS Immunization Branch, 2003.
 - 3) Vaccine Adverse Events Reporting System, developed by the Centers for Disease Control and Prevention.
 - 4) Immunization Registry Functional Standards developed by the American Immunization Registration Association.
 - 5) "Medicaid Pediatric Immunization Provisions" of the Omnibus Budget Reconciliation Act, Part IV- Immunizations, Sec. 13631. These guidelines were published August 10, 1993.
 - 6) Vaccines for Children (VFC) Quality Assurance Review/"CASITA" visits, developed by the CDHS Immunization Branch, July 2001.

2. Contract Amendments

Should either party, during the term of this agreement, desire a change or amendment to the terms of this Agreement, such changes or amendments shall be proposed in writing to the other party, who will respond in writing as to whether the proposed changes/amendments are accepted or rejected. If accepted and after negotiations are concluded, the agreed upon changes shall be made through the State's official agreement amendment process. No amendment will be considered binding on either party until it is formally approved by the State.

3. Cancellation / Termination

- A. This agreement may be cancelled or terminated without cause by either party by giving thirty (30) calendar days advance written notice to the other party. Such notification shall state the effective date of termination or cancellation and include any final performance and/or payment/invoicing instructions/requirements.

Exhibit E
Additional Provisions

- B. Upon receipt of a notice of termination or cancellation from DHS, Contractor shall take immediate steps to stop performance and to cancel or reduce subsequent contract costs.
- C. Contractor shall be entitled to payment for all allowable costs authorized under this agreement, including authorized non-cancelable obligations incurred up to the date of termination or cancellation, provided such expenses do not exceed the stated maximum amounts payable.

Contractor's Release

Instructions to Contractor:

With final invoice(s) submit one (1) original and one (1) copy. The original must bear the original signature of a person authorized to bind the Contractor. The additional copy may bear photocopied signatures.

Submission of Final Invoice

Pursuant to contract number 05-46189 entered into between the State of California Department of Health Services (DHS) and the Contractor (identified below), the Contractor does acknowledge that final payment has been requested via invoice number(s) _____, in the amount(s) of \$ _____ and dated _____.
If necessary, enter "See Attached" in the appropriate blocks and attach a list of invoice numbers, dollar amounts and invoice dates.

Release of all Obligations

By signing this form, and upon receipt of the amount specified in the invoice number(s) referenced above, the Contractor does hereby release and discharge the State, its officers, agents and employees of and from any and all liabilities, obligations, claims, and demands whatsoever arising from the above referenced contract.

Repayments Due to Audit Exceptions / Record Retention

By signing this form, Contractor acknowledges that expenses authorized for reimbursement does not guarantee final allowability of said expenses. Contractor agrees that the amount of any sustained audit exceptions resulting from any subsequent audit made after final payment, will be refunded to the State.

All expense and accounting records related to the above referenced contract must be maintained for audit purposes for no less than three years beyond the date of final payment, unless a longer term is stated in said contract.

Recycled Product Use Certification

By signing this form, Contractor certifies under penalty of perjury that a percentage (0% to 100%) of the materials, goods, supplies or products offered or used in the performance of the above referenced contract meets or exceeds the minimum percentage of recycled material, as defined in Public Contract Code Sections 12161 and 12200.

Reminder to Return State Equipment/Property (If Applicable)

(Applies only if equipment was provided by DHS or purchased with or reimbursed by contract funds)

Unless DHS has approved the continued use and possession of State equipment (as defined in the above referenced contract) for use in connection with another DHS agreement, Contractor agrees to promptly initiate arrangements to account for and return said equipment to DHS, at DHS's expense, if said equipment has not passed its useful life expectancy as defined in the above referenced contract.

Patents / Other Issues

By signing this form, Contractor further agrees, in connection with patent matters and with any claims that are not specifically released as set forth above, that it will comply with all of the provisions contained in the above referenced contract, including, but not limited to, those provisions relating to notification to the State and related to the defense or prosecution of litigation.

ONLY SIGN AND DATE THIS DOCUMENT WHEN ATTACHING TO THE FINAL INVOICE

Contractor's Legal Name (as on contract): County of Los Angeles (Department of Health Services)

Signature of Contractor or Official Designee: _____ Date: _____

Printed Name/Title of Person Signing: _____

DHS Distribution: Accounting (Original) Program

Travel Reimbursement Information

1. The following rate policy is to be applied for reimbursing the travel expenses of persons under contract. *The terms "contract" and/or "subcontract" have the same meaning as "grantee" and/or "subgrantee" where applicable.*
 - a. Reimbursement for travel and/or per diem shall be at the rates established for nonrepresented/excluded state employees. *Exceptions to DPA lodging rates may be approved by DHS upon the receipt of a statement on/with an invoice indicating that such rates are not available.*
 - b. Short Term Travel is defined as a 24-hour period, and less than 31 consecutive days, and is at least 50 miles from the main office, headquarters or primary residence. Starting time is whenever a contract or subcontract employee leaves his or her home or headquarters. "Headquarters" is defined as the place where the contracted personnel spends the largest portion of their working time and returns to upon the completion of assignments. *Headquarters may be individually established for each traveler and approved verbally by the program funding the agreement. Verbal approval shall be followed up in writing or email.*
 - c. Contractors on travel status for more than one 24-hour period and less than 31 consecutive days may claim a fractional part of a period of more than 24 hours. Consult the chart appearing on page 2 of this exhibit to determine the reimbursement allowance. All lodging must be receipted. If contractor does not present receipts, lodging will not be reimbursed.

(1) Lodging (with receipts):

Travel Location / Area	Reimbursement Rate
Statewide (excluding the counties identified below)	\$ 84.00 plus tax
Counties of Los Angeles and San Diego	\$110.00 plus tax
Counties of Alameda, San Francisco, San Mateo, and Santa Clara	\$140.00 plus tax

Reimbursement for actual lodging expenses exceeding the above amounts may be allowed with the advance approval of the Deputy Director of the Department of Health Service or his or her designee. Receipts are required. *Receipts from Internet lodging reservation services such as Priceline.com, which require prepayment to that service, ARE NOT ACCEPTABLE LODGING RECEIPTS and are not reimbursable without a valid lodging receipt from a lodging establishment.*

- (2) Meal/Supplemental Expenses (with or without receipts): With receipts, the contractor will be reimbursed actual amounts spent up to the maximum for each full 24-hour period of travel.

Meal / Expense	Reimbursement Rate
Breakfast	\$ 6.00
Lunch	\$ 10.00
Dinner	\$ 18.00
Incidental expenses	\$ 6.00

- d. Out-of-state travel may only be reimbursed if such travel *is necessitated by the scope or statement of work* and has been approved in advance by the program with which the contract is held. For out-of-state travel, contractors may be reimbursed actual lodging expenses, supported by a receipt, and may be reimbursed for meals and supplemental expenses for each 24-hour period computed at the rates listed in c. (2) above. For all out-of-state travel, contractors/subcontractors must have prior *DHS written or verbal approval. Verbal approval shall be confirmed in writing (email or memo).*
- e. In computing allowances for continuous periods of travel of less than 24 hours, consult the chart appearing on page 2 of this *exhibit*.
- f. No meal or lodging expenses will be reimbursed for any period of travel that occurs within normal working hours, unless expenses are incurred at least 50 miles from headquarters.

Travel Reimbursement Information

Exhibit G (Continued)

2. If any of the reimbursement rates stated herein are changed by the Department of Personnel Administration, no formal contract amendment will be required to incorporate the new rates. However, DHS shall inform the contractor, in writing, of the revised travel reimbursement rates.
3. For transportation expenses, the contractor must retain receipts for parking; taxi, airline, bus, or rail tickets; car rental; or any other travel receipts pertaining to each trip for attachment to an invoice as substantiation for reimbursement. Reimbursement may be requested for commercial carrier fares; private car mileage; parking fees; bridge tolls; taxi, bus, or streetcar fares; and auto rental fees when substantiated by a receipt.
4. **Note on use of autos:** If a contractor uses his or her car for transportation, the rate of pay will be **34 cents** maximum per mile. If the contractor is a person with a disability who must operate a motor vehicle on official state business and who can operate only specially equipped or modified vehicles they may claim a rate of **37 cents** per mile. If a contractor uses his or her car "in lieu of" airfare, the air coach fare will be the maximum paid by the State. The contractor must provide a cost comparison upon request by the state. Gasoline and routine automobile repair expenses are not reimbursable.
5. The contractor is required to furnish details surrounding each period of travel. *Travel expense reimbursement* detail may include, but not be limited to: purpose of travel, departure and return times, destination points, miles driven, mode of transportation, etc. *Reimbursement for travel expenses may be withheld pending receipt of adequate travel documentation.*
6. Contractors are to consult with the program with which the contract is held to obtain specific invoicing procedures.

Travel Reimbursement Guide

Length of travel period	This condition exists...	Allowable Meal(s)
Less than 24 hours	Travel begins at 6:00 a.m. or earlier and continues until 9:00 a.m. or later.	Breakfast
Less than 24 hours	<ul style="list-style-type: none"> Travel period ends at least one hour after the regularly scheduled workday ends, or Travel period begins prior to or at 4:00 p.m. and continues beyond 7:00 p.m. 	Dinner
24 hours	Travel period is a full 24-hour period determined by the time that the travel period begins and ends.	Breakfast, lunch, and dinner
Last fractional part of more than 24 hours	Travel period is more than 24 hours and traveler returns at or after 8:00 a.m.	Breakfast
	Travel period is more than 24 hours and traveler returns at or after 2:00 p.m.	Lunch
	Travel period is more than 24 hours and traveler returns at or after 7:00 p.m.	Dinner

7. *At DHS' discretion, changes or revisions made by DHS to this exhibit, excluding travel policy established by DPA may be applied retroactively to any agreement to which a Travel Reimbursement Information exhibit is attached, incorporated by reference, or applied by DHS program policy.*

Exhibit H

CONTRACTOR EQUIPMENT PURCHASED WITH DHS FUNDS

Current contract number: 05-46189

Date current contract expires: December 31, 2006

Previous contract number (if applicable): 04-36002

DHS program name: Immunization Branch

Contractor's name: _____
County of Los Angeles

DHS program contract manager: Leona O'Neill

(Department of Health Services)

DHS program address: 850 Marina Bay Parkway, Bldg. P

Contractor's complete address: 3530 Wilshire Blvd., Suite 700

Richmond, CA 94804

Los Angeles, CA 90010

DHS program contract manager's telephone number: 510-620-3752

Contractor's contact person: Cheri Todoroff

Date of this report:

Contact's telephone number: 213-351-7800

(THIS IS NOT A BUDGET FORM)

[illegible]

INSTRUCTIONS FOR HAS 1203 (Please read carefully.)

The information on this form will be used by the California Department of Health Services (DHS) Asset Management (AM) to track contract equipment and miscellaneous property (see definitions A, B, and C) which is purchased with DHS funds and is used to conduct state business under this contract. After the Standard Agreement has been approved and each time state/DHS equipment and/or miscellaneous property has been received, the DHS Program Contract Manager is responsible for obtaining the information from the Contractor and submitting this form to DHS AM. The DHS Program Contract Manager is responsible for ensuring the information is complete and accurate. (See *Health Administrative Manual (HAM)*, Section 2-1060 and Section 9-2310.)

Upon receipt of this form from the DHS Program Contract Manager, AM will fill in the assigned state/DHS property tag number, if applicable, for each item. AM will return the original form to the DHS Program Contract Manager, along with the appropriate property tags. The DHS Program Contract Manager will then forward the property tags and the original form to the Contractor and retain one copy until the termination of this contract. The Contractor should place property tags in plain sight and, to the extent possible, on the item's front left-hand corner. The manufacturer's brand name and model number are not to be covered by the property tags.

1. If the item was shipped via the DHS warehouse and was issued a state/DHS property tag by warehouse staff, fill in the assigned property tag. If the item was shipped directly to the Contractor, leave the first column blank.

2. Provide the quantity, description, purchase date, base unit cost, and serial number (if applicable) for each item of:

A. Major Equipment:

- Tangible item having a base unit cost of \$5,000 or more and a life expectancy of one (1) year or more.
- Intangible item having a base unit cost of \$5,000 or more and a life expectancy of one (1) year or more (e.g., software, video).

These items are issued green numbered state/DHS property tags.

B. **Minor Equipment:** Tangible item having a base unit cost less than \$5,000 with a life expectancy of one (1) year or more and listed on DHS AM's "Minor Equipment List". (A "Minor Equipment List" can be printed from HAM Section 2-1030.) **These items are issued green numbered state/DHS property tags.**

C. **Miscellaneous Property:** Specific tangible items with a life expectancy of one (1) year or more that are purchased with DHS funds (furniture, cabinets, typewriters, desktop calculators, portable dictators, nondigital cameras.) **These items are issued green unnumbered "BLANK" state/DHS property tags.** NOTE: It is DHS policy not to tag modular furniture. (See your Federal rules, if applicable.)

3. Provide the DHS Purchase Order (STD 65) number if the items were purchased by DHS. (See HAM, Section 2-1050.1.)

4. If a vehicle is being reported, provide the Vehicle Identification Number (VIN) and the vehicle license number to DHS Vehicle Services. (See HAM, Section 2-10050.)

5. If all items being reported do not fit on one form, make copies and write the number of pages being sent in the upper right-hand corner (e.g., "Page 1 of 3.") The DHS Program Contract Manager should retain one copy and send the original to: Department of Health Services, Asset Management, P.O. Box 997413, 1501 Capitol Avenue, Suite 71.2101, MS 1404, Sacramento, CA 95899-7413.

6. Property tags that have been lost or destroyed must be replaced. Replacement property tags can be obtained by contacting AM (916) 650-0124.

7. Use the version on the DHS Intranet forms site. The HAS 1203 consists of one page for completion and one page with information and instructions.

Exhibit I

INVENTORY/DISPOSITION OF DHS-FUNDED EQUIPMENT

Current contract number:	05-46189	Date current contract expires:	December 31, 2006
Previous contract number (if applicable):	04-36002	DHS program name:	Immunization Branch
Contractor's name:	County of Los Angeles (Department of Health Services)	DHS program contract manager:	Leona O'Neill
Contractor's complete address:	3530 Wilshire Blvd., Suite 700 Los Angeles, CA 90010	DHS program address:	850 Marina Bay Parkway, Bldg. P Richmond, CA 94804
Contractor's contact person:	Cheri Todoroff	DHS program contract manager's telephone number:	510-620-3752
Contact's telephone number:	213-351-7800	Date of this report:	

(THIS IS NOT A BUDGET FORM)

[illegible]

INSTRUCTIONS FOR HAS 1204

(Please read carefully.)

The information on this form will be used by the California Department of Health Services (DHS) Asset Management (AM) to; (a) conduct an inventory of DHS equipment and property (see definitions A, B, and C) in the possession of the Contractor and/or Subcontractors, and (b) dispose of these same items. Report all items, regardless of the items' ages, per number 1 below, purchased with DHS funds and used to conduct state business under this contract. (See *Health Administrative Manual (HAM)*, Section 2-1060 and Section 9-2310.)

The DHS Program Contract Manager is responsible for obtaining information from the Contractor for this form. The DHS Program Contract Manager is responsible for the accuracy and completeness of the information and for submitting it to AM.

Inventory: List all DHS tagged equipment and miscellaneous property on this form and submit it within 30 days prior to the three-year anniversary of the contract's effective date, if applicable. **The inventory should be based on previously submitted HAS 1203s**, "Contractor Equipment Purchased with DHS Funds." AM will contact the DHS Program Contract Manager if there are any discrepancies. (See HAM, Section 2-1040.1.)

Disposal: (*Definition: Trade in, sell, junk, salvage, donate, or transfer; also, items lost, stolen, or destroyed (as by fire).*) The HAS 1204 should be completed, along with a "Property Survey Report" (STD. 152) or a "Property Transfer Report" (STD. 158), whenever items need to be disposed of; a) during the term of this contract and (b) 30 calendar days before the termination of this contract. After receipt of this form, the AM will contact the DHS Program Contract Manager to arrange for the appropriate disposal/transfer of the items. (See HAM, Section 2-1050.4.)

List the state/DHS property tag, quantity, description, purchase date, base unit cost, and serial number (if applicable) for each item of;

A. Major Equipment: **(These items were issued green numbered state/DHS property tags.)**

- Tangible item having a base unit cost of \$5,000 or more and a life expectancy of one (1) year or more.
- Intangible item having a base unit cost of \$5,000 or more and a life expectancy of one (1) year or more (e.g., software, video.)

B. Minor Equipment: **(These items were issued green numbered state/DHS property tags.)**

- Tangible item having a base unit cost less than \$5,000 with a life expectancy of one (1) year or more and listed on DHS AM's "Minor Equipment List". (A "Minor Equipment List" can be printed from HAM, Section 2-1030.)

C. Miscellaneous Property: **(These items were issued green unnumbered "BLANK" state/DHS property tags.)**

- Specific tangible items with a life expectancy of one (1) year or more that are purchased with DHS funds (furniture, cabinets, typewriters, desktop calculators, pocket dictators, nondigital cameras.)

If a vehicle is being reported, provide the Vehicle Identification Number (VIN) and the vehicle license number to DHS Vehicle Services. (See HAM, Section 2-10050.)

If all items being reported do not fit on one page, make copies and write the number of pages being sent in the upper right-hand corner (e.g. "Page 1 of 3.")

The DHS Program Contract Manager should retain one copy and send the original to: Department of Health Services, Asset Management, P.O. Box 997413, 1501 Capitol Avenue, Suite 71.2101, MS 1404, Sacramento, CA 95899-7413.

Use the version on the DHS Intranet forms site. The HAS 1204 consists of one page for completion and one page with information and instructions. or more information on completing this form, call AM at (916) 650-0124.